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Southeast Asia Report



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AUSTRALIA

MELBOURNE ON HAWKE WINNING PARTY SUPPORT

BK191548 Melbourne Overseas Service in English 1110 GMT 19 Feb 85

[From "Australian Insight" program moderated by Margaret Jollow]

[Text] There has been considerable debate back in Australia about the prime minister's recent visit to the United States and his turnabout on cooperation with American testing of the controversial MX missile. Members of the parliamentary Labor Party or caucus have just held their first meeting for this year before parliament resumes for the first time on Thursday [21 February -- FBIS] since last December's general election.

There was widespread speculation that Mr Hawke could have a battle on his hands, but the caucus decided to pull its ranks and support the prime minister despite some deep misgivings about his style of leadership. As John Lombard reports from Canberra, Mr Hawke has apparently learned how to deal with the various factions of the Labor Party.

[Begin recording] [Hawke] Certainly, however, we should all -- all of us, all intelligent people -- should learn from the difficulties of the previous week. I have never believed on regard of this issue or any other that I am perfect. I think I've made that quite clear.

[Lombard] The prime minister, Mr Bob Hawke, and he is most contrite -- almost apologetic. The Australian Labor Government under Mr Hawke's leadership has just suffered a very severe political blow over the last fortnight because of the prime minister's action over what has become known as the MX missile affair, and what has just happened goes to the very core of Australia's relations with the United States.

When Mr Hawke's Labor government won power nearly 2 years ago, he was presented with a decision that had been taken by the previous Conservative administration under Prime Minister Malcolm Fraser. Mr Fraser had agreed to provide staging facilities in Australia for American aircraft to monitor tests by the Americans on its MX missiles. Mr Hawke immediately endorsed the decision but omitted to tell anybody. Later, he consulted the then defense minister and the foreign minister, who also agreed -- although with reservations. The reservations of the foreign minister, Mr Bill Hayden, increased as time went on because of a mounting antinuclear

sentiment in the Labor Party. The left wing and indeed Mr Hayden's won faction in the party -- the center left -- had considerable misgivings about Mr Hawke's pro-American alliance stand, particularly as it related to cooperation with President Reagan's policy of standing up to the Soviet Union from a position of defense strength.

But just before the prime minister arrived in Washington to see President Reagan 2 weeks ago, he decided that because of the strong opposition being voiced at home within his own party, he should change his mind over the MX missile testing cooperation. As it happened, he did not have to tell the Americans anything of that sort because Secretary of State George Shultz announced that the United States had changed its mind and would not require Australia's assistance.

With parliament reopening on Thursday this week for the first time since the reelection of the Hawke government last December, the prime minister had tried to defuse what is expected to be a concerted attack on him over the MX decision by the opposition. But after a meeting of the parliamentary Labor Party, Mr Hawke came out fighting and gave a preview of how he will handle the opposition in parliament.

[Hawke] Some people in Australia -- in the opposition parties may (?group) to do a great disservice to the basic interests of this country by seeking themselves to undermine the relationship and the strength of the relationship; they will not succeed. If anyone in this country is trying to undermine the relationship between Australia and the United States, it is members of the opposition who put in question whether recent events diminished that relationship. The President of the United States agrees that the relationship remains undiminished; after the President of the United States and the prime minister of Australia have that view and that position as they do have, then it is an act grossly and manifestly against the interests of Australia and of the relationship for anyone in the opposition to put a contrary view.

[Lombard] The reason that Mr Hawke is feeling so good lies in his own political skills. Mr Hawke has been criticized in the past for not understanding the innate factionalism of the Labor Party. It clearly has a left wing, a center group, and a right wing, and any Labor leader always has to balance up the three groups. The prime minister realized that he could be facing trouble from the party meeting, so he decided that before the meeting started, he would invite leaders of the various factions to a working breakfast. By all account, it was a most successful move.

[Hawke] What this morning was about was to address a situation which has arisen where it was said the government had not been helped by the events of the previous week, and we were all of the mind that that was the case,

and it seemed to me sensible to bring the representatives of the groups together. They all positively responded. I think we all found it a very useful exercise -- whether that will be a regular feature, no decision has been made. Certainly, it was very useful and it may well be that something of that kind more frequently could be useful.

[Lombard] The party meeting was also very successful. What Mr Hawke was really saying was that he had just won the day because of the pragmatists in the Labor Party. Although there are factions with deeply held views, the majority decided that a rift in the party over the MX issue was not worthwhile. It may also have been alerted by reports that a new public opinion poll just taken has shown the government has suffered from the MX affair. But perhaps the real news is that there are enough people in the party who prefer being in government not to rock the boat -- at least not now.
[end recording]

CSO: 4200/563

AUSTRALIA

BRIEFS

HAWKE APPEALS FOR STRIKE END--The prime minister, Mr Hawke, has made his first direct appeal for an end to the power strike which is causing widespread disruption in Queensland. In doing so, he stalled a decision on a request by the Queensland premier, Sir John Bejlke-Petersen, for him to ensure that visas and work permits be granted to overseas power station workers who are being recruited in an attempt to end the dispute. Mr Hawke called on all parties involved in the dispute to accept the recommendations of the state industrial commission which would allow an immediate return to work. He also urged all unions taking action in support of the electric trades union to return to work and cease any retaliatory action. Mr Hawke said the dispute has now developed to the point where it is causing national damage as well as considerable harm and inconvenience to the people of Queensland. Meanwhile, the Queensland cabinet had held a special meeting to decide the state government's next move in the crisis. The premier has said that his first priority was to restore electricity supplies. At the same time as cabinet meets, transport unions are meeting at a gathering convened by the Trades and Labor Council as part of its program to escalate the dispute. Telecom unions are also meeting, and Radio Australia's Brisbane Office understands they are likely to ban telephone and other services to the state government and electricity authorities. [Text] [Melbourne Overseas Service in English 0430 GMT 20 Feb 85]

BRITISH OFFICIAL TO VISIT--Britain's minister for defense procurement, Mr Adam Butler, will visit Australia next week for what he described as a marketing venture, seeking contracts for a range of British military equipment. The minister will be accompanied by 12 industry delegates, experts in their own fields of defense equipment, computer technology, and communications. A Radio Australia reporter says the continuing tension between Australia, New Zealand, and the United States as members of the ANZUS alliance will also be discussed. The British minister will later visit New Zealand. [Text] [Melbourne Overseas Service in English 0430 GMT 16 Feb 85]

CSO: 4200/554

INDONESIA

COMMENTARY ON NEED FOR ASEAN COMMON MARKET

BK151206 Jakarta Domestic Service in Indonesian 1200 GMT 14 Feb 85

[Unattributed commentary]

[Text] At a recent meeting with Thai entrepreneurs in Bangkok, the former Thai economic minister [title as heard] Bunchu Rotchanasathian, pointed out that an ASEAN Common Market is not a utopia for (?politicians) but constitutes a move that must be implemented by Southeast Asian countries for realizing economic independence. According to him, the ultimate goal of an ASEAN Common Market is to increase the income of rural people who represent the majority of the ASEAN population, to increase their living standard, and to expand their marketing opportunities.

Amid the increasingly skeptical views on ASEAN economic cooperation at present, what the Thai economist said is quite refreshing. Bunchu pointed out that up to now, the six ASEAN countries have achieved little in their economic integration, and for this reason he urged the governments of ASEAN countries to establish a regional common market with a view to realizing economic independence. In our opinion, the former Thai economic minister's call should receive immediate response from ASEAN economic experts if we want ASEAN economic cooperation to gain prominence in global economic relations. Even though economic cooperation should have been given special emphasis, it has turned out that successes in political cooperation have figured prominently.

Malaysian Prime Minister Mahathir Mohamed even described ASEAN economic cooperation as mediocre or worse. Supporting Bunchu's views, the Malaysian prime minister also said that it is necessary for ASEAN to immediately forge realistic cooperation in marketing its various commodities. There is reason enough why ASEAN should join forces to promote its trade growth. If we study again the contents of the Bangkok Declaration, which was the basis of the establishment of ASEAN 18 years ago, such urgent hopes have strong reason to be spelled out. It was mentioned among other things in the Bangkok Declaration that the Southeast Asian countries would share the responsibility to strengthen socio-economic stability in the region besides safeguarding security and stability from external interference in its various forms. This is aimed at maintaining national identity in accordance with the ideals and aspirations of the people in each country.

Up to its 18th founding anniversary this year, ASEAN has shown little results of economic cooperation to ensure unity among fellow countries in the region. Projects which are regional in nature have not yet provided encouragement to other forms of more beneficial cooperation. The arrangement of preferential trade among fellow ASEAN countries apparently needs further improvement. Against the background of this lack of cooperation, the call made by Bunchu Rotchanasathian for ASEAN to establish a common market appears to be one idea that merits immediate implementation, considering the fact that the potential and aspirations of each nation are expected to be similar. Even the types of commodity exports which constitute major revenue for the member countries can be considered as similar. As such, the setting up of a common market is expected to end competition among fellow member countries in the international market. Both Indonesia and Malaysia need not compete in international rubber markets, while Singapore, the Philippines, Thailand, and Brunei can join forces to face the challenge of other countries which always try to lower the commodity prices these ASEAN countries offer.

CSO: 4213/151

INDONESIA

BRIEFS

VESSEL ATTACKED--The Indonesian Government has dispatched security personnel to the area where an Indonesian ship was hijacked by Singapore-registered ships at (Masalembo) Island. One of the ships which commandeered the Indonesian ship, a trawler named ("Wester Tor"), was successfully apprehended, while another ship named ("Osa Asprine"), a Liberian-registered ship which masterminded the hijacking, managed to escape. Indonesian security personnel have conducted an interrogation of the crew of the Singapore ship. [Text] [Jakarta Domestic Service in Indonesian 0500 GMT 19 Feb 85]

POLICE SEIZE EXPLOSIVES, BULLETS--Sorong police in Irian Jaya have confiscated some 400 kg of explosives and more than 150 bullets of 12.7-mm calibre firearms. Explosives and bullets, remnants of World War II have been found on (?Samubatul) Island, off Sorong. A man responsible for keeping the explosives is detained for further investigation. [Text] [Jakarta International Service in English 0800 GMT 16 Feb 85]

CSO: 4200/542

LAOS

RICE SALES, CROP PROGRESS, TAXES PAID TO STATE

[The following information is extracted from the Vientiane press on the dates indicated in the parentheses following each entry in the remarks column. The following abbreviations are used PS=PASASON, VM=VIENTIANE MAI, KPL=KHAOSAN PATHET LAO]

Savannakhet Province	Taxes, requisition-purchases and exchanges of goods have amounted to 7,600 tons as of 20 January. Of this, taxes came to 4,600 tons (PS 6 Feb 85 p 1)
Khong Sedone, Vapi, Lao Ngam Districts, Saravane Province	As of January have paid over 1,000 tons of rice to state as taxes (PS 4 Feb 85 p 1)
Phong Saly District and Province	Paid 294 tons of rice to state as tax (PS 4 Feb 85 p 1)
Vientiane Province	As of beginning of January, farmers sold or traded over 4,000 tons of rice to state. State exchanged 15,000 sheets of tin roofing, 50 tons of cement, 150 bicycles, 50 sewing machines and other goods (VM 4 Feb 85 p 1)
Vientiane Province	Farmers have paid 1,200 tons of rice. Target for this year is 18,000 tons of rice as taxes, requisition-purchase and exchange to state for goods (PS 2 Feb 85 p 1)
Savannakhet Province	1984 goal for price production is 230,000 tons. Although weather was very bad with floods, harvest on 82,827 hectares yielded 2.5 tons per hectare. Tax collections have not reached the goal. Sixty percent of the goal of 6,700 tons have been collected. Sales and exchanges for goods have reached 2,800 tons out of a planned 10,875 tons. (PS 1 Feb 85 p 1)

CSO: 4206/97

LAOS

BRIEFS

DEFENSE MINISTER GREETINGS--Vientiane, 7 Feb (KPL)--The national defense minister of the Lao PDR, Gen Khamtai Siphandon, on 4 February, sent messages of thanks to the defense ministers of socialist countries for their greetings on the occasion of the 36th anniversary of the Lao People's Army. The messages were addressed to Bou Thang, minister of national defence of Kampuchea, Gen Raul Castro Ruz of Cuba, Gen Heinz Hoffmann of the GDR, to Col Gen Istvan Olah of Hungary and to Gen Florian Siwicki of Poland. Speaking on behalf of the LPA, Gen K. Siphandon, among others, wished the fraternal friendship [and] the combatant solidarity between the Lao Army and people and those of the socialist countries be further consolidated. [Text] [Vientiane KPL in English 0909 GMT 7 Feb 85]

VIENTIANE ROAD REPAIR--Vientiane, 7 Feb (KPL)--The bridge and road construction enterprise of Vientiane Province, since January of this year, repaired 60 km of road. The road repaired is on Highway No 13 linking Vientiane and Phonhong District. The service also repaired 40 km of road on Highway No 10 linking Tha Ngon and Phakha-Gnoung village. [Text] [Vientiane KPL in English 0916 GMT 7 Feb 85 BK]

GUINEA ENVOY--Vientiane, 8 Feb (KPL)--The new extraordinary and plenipotentiary ambassador of the People's Revolutionary Republic of Guinea to Laos, Fode Djirbil Camara, presented here yesterday his credentials to Souphanouvong, president of the LPDR and of the People's Supreme Assembly. In the course of the friendly meeting, President Souphanouvong wished the new ambassador success in accomplishing his mission here in view to strengthen the solidarity and cooperation between Laos and Guinea. [Text] [Vientiane KPL in English 0905 GMT 8 Feb 85]

GDR AMBASSADOR--Vientiane, 13 Feb (KPL)--Phoumi Vongvichit, Political Bureau member of the LPRP CC, vice-chairman of the Council of Ministers, received here yesterday the GDR ambassador to Laos, Dietrich Jarck. During the warm and cordial meeting, Phoumi Vongvichit wished the ambassador success in his diplomatic mission here for the interests of the fraternal friendship between the parties, governments and peoples of Laos and the GDR. [Text] [BK131249 Vientiane KPL in English 0906 GMT 13 Feb 85]

NEW ZEALAND NATIONAL DAY--Vientiane, 11 Feb (KPL)--Kaysone Phomvihane, chairman of the Council of Ministers of the Lao PDR, recently sent his greetings to Prime Minister David Lange on the occasion of New Zealand's National Day. "I have the pleasure of extending the congratulations and best wishes of the Lao people to Your Excellency and the New Zealand people on the occasion of your national day," the chairman said in his greeting message. Foreign Minister Phoun Sipaseut has also sent a message of greetings to his New Zealand counterpart, David Lange. [Text] [Vientiane KPL in English 0901 GMT 11 Feb 85]

SPANISH ENVOY--Vientiane, 13 Feb (OANA-KPL)--Mariano Ucelay de Montero, the first extraordinary and plenipotentiary ambassador of Spain to Laos, on 12 February, presented his letter of credentials to Souphanouvong, president of the Lao PDR and of the People's Supreme Assembly. During the cordial and warm reception, Souphanouvong wished the ambassador success in his diplomatic mission here for the sake of friendship and cooperation between Laos and Spain. Also in attendance were Soullivong Phasithidet, deputy minister for foreign affairs, and Thongdam Chanthaphon, deputy minister, chief of the presidential office. [Text] [Vientiane KPL in English 0904 GMT 13 Feb 85]

IRANIAN REVOLUTION ANNIVERSARY--Vientiane, 13 Feb (KPL)--The Lao leaders, on 11 February, sent congratulatory messages to President Seyyed 'Ali Khamene'i and Prime Minister Mir Hoseyn Musavi of the Islamic Republic of Iran on the occasion of the 6th commemoration of the victory of the Iranian Revolution. The messages were signed by Souphanouvong, president of the Lao PDR, and Kaysone Phomvihane, chairman of the Council of Ministers. The Lao leaders, in their messages, wished the Iranian leaders and people happiness and prosperity. On the same occasion, Phoun Sipaseut, vice chairman of the Council of Ministers and minister for foreign affairs of the Lao PDR, also sent greetings to his Iranian counterpart, 'Ali Akbar Velayati. He expressed his hope for further development of the existing friendly relations between the two countries. [Text] [Vientiane KPL in English 0858 GMT 13 Feb 85]

CSO: 4200/557

MALAYSIA

SUPPLEMENT: ENGLISH LANGUAGE EDUCATION MAINTAINS MALAY ELITE

Kuala Lumpur NEW STRAITS TIMES in English 7 Jan 85 p 1

[Article by Alina Raneer]

[Text]

PROFESSOR Datuk Dr Ismail Hussein of Universiti Malaya doesn't feel out of place as the "intellectual" one among the Hussein brothers. Prof Ismail ("I failed art at school") is the brother of Ibrahim Hussein, the artist, and Abdullah Hussein, a dramatist and writer (author of *Intan* and *Interlok*).

In December 1984, Prof Ismail was awarded an honorary doctorate by the Universitas Indonesia in Jakarta. Prof Ismail considers the award "an honour not to myself, but a reflection of Indonesian recognition for the role of Universiti Malaya (U.M.) in developing Malay language and literature."

Although Prof Ismail downplays his substantial role, he cannot deny his numerous contributions to Malay literature and thought.

A man's way of thinking is often coloured by his experience — his education, environment, or even family background.

Prof Ismail freely admits to his populist background: he was born and brought up in Yan, Kedah, heartland of the Malaysian rice-bowl.

After secondary school at the prestigious Sultan Abdul Hamid College, Alor Star, he went on to Universiti Malaya (then in Singapore) where he graduated with a First in Malay Studies. He then obtained his M.A. from Universiti Malaya in 1961, following which he left for Holland to study under Prof A.Teeuw at Leiden University.

On his return to Malaysia in 1965, he joined the Universiti of Malaya Arts Faculty first as assistant dean, then associate professor, and in 1976 he became head of the Malay Studies Department, a post he held till 1980.

In 1980 also, Prof Ismail Hussein was awarded the "Darjah Setia Diraja Kedah" (DSDK), an award carrying the title "Datuk", by the Sultan of Kedah.

A childhood spent under colonial domination left lasting impressions on Prof Ismail. Looking back, Prof Ismail realises how his early edu-

cation made him aware of the dangers Malay culture faced at that time.

"Yes, I was born in Kedah, in the middle of a predominantly Malay society. Yet, when I went to Sultan Abdul Hamid College, Malaya formed only 20 per cent of the student body. It was the best school in the State, and 80 per cent of the places went to people who didn't even reside there. I felt bitter, not revengeful — but bitter in the intellectual sense," Prof Ismail recalls.

☆☆☆☆☆

In his university days, Prof Ismail discovered an even wider gap between the English-educated Malay elite and the non-Malay elite. When he entered M.U. "in 1955 only about seven per cent of students there were Malays." He observed that "the majority of univer-

sity students of that era completely rejected Malay culture, Malay history and Malay people."

Malaysians today probably find difficulty in imagining the political upheavals in pre-independence Malaya. In the late 50s, at the tail-end of British rule, the colonialists transferred power to politicians who were not British in name, but very British in spirit. (Macaulay defines such a character as "a banana brown on the outside but white inside.")

Prof Ismail, on the other hand, belongs to that post-war generation of English-educated Malay intellectuals whose Anglophilic tendencies were tempered somewhat by contact with the peasant grassroots.

Simply put, Prof Ismail comes from the Malay elite that, instead of studying law at Oxbridge, preferred — or were forced by circumstances — to study medicine or Malay Studies at M.U.

To some extent, this educational background gave Prof Ismail a radically different outlook — making him aware of how dangerous it was to create a Malay elite separated from the masses by a language — and class — barrier.

"I went to Europe very late, by which time my mental framework had developed. Maybe that is why I have fought for Bahasa Malaysia as a unifying force. Don't get me wrong, I am often mistaken for an anti-Anglophile."

"In fact I feel sentimental about Britain. I still have romantic feelings for the Lake District, and I admire the political acumen of Anglophiles like Nehru or Lee Kuan Yew. I think if you studied in Britain you came back with fondness for things British — their literature, culture, and language," Prof Ismail says.

"But you are wrong if you return with an elitist mind, with pride and arrogance in your so-called Western learning. What the Malays want is an elite with a non-elitist mind. Aristocrats with a non-aristocratic leaning."

★ ★ ★ ★ ★

At the Fourth Malay Language and Literature Congress in Kuala Lumpur in December 1984, Prof Ismail came out with a spirited defence of Bahasa Malaysia. His views were taken as an indirect attack on the English language media.

"I said the private sector — especially the mass media — is the last stronghold of the English language," says Prof Ismail. "That doesn't mean I am against English as a medium of communication. English has a permanent place in Malaysia, but the English language Press seems to be creating an 'elitist enclave' — a fortress that separates the English-educated elite from the rest of Malaysian society."

According to Prof Ismail, the English language Press was so distanced from Malaysian reality that, in the decade after independence, it failed to make the elite aware of the social ferment which eventually broke out on May 13.

"In the years immediately after independence, the English Press in Malaysia was almost a clone of the British or international English Press. Only lately has there been some originality, and comprehensive local coverage," Prof Ismail says. "Previously, the English Press seemed to create and mirror a separate English culture without contributing to national culture."

"The English language Press in Malaysia had a strong international flavour, it was

exciting for variety and world coverage. But why cut off the English-educated elite from reality?"

"The English-educated elite ignored the Islamic/Malay movement. When the 1969 riots broke out, they were so confused they didn't know what was happening and why; when in fact what happened had been brewing in the Malay language Press for ages."

Prof Ismail suggests that the English-educated elite must learn not to ignore what is happening at its own front door — or else it will be caught off-guard as happened with May 13. "You know what happens in the Kremlin, in Hollywood, but not what the masses are clamouring for here," Prof Ismail says.

Prof Ismail contends that we cannot afford to have an English language Press which is elitist, representing the urban middle class, at odds with a Malay Press in touch with the rural masses.

In the mid-50s and mid-60s, Prof Ismail recalls, "the mostly English-educated intelligentsia never bothered to keep up with events in the Malay language Press."

When the campus riots and Baling issue cropped up, "the professors gathered in the coffee room, frightened; they thought the country was going to fall. I laughed, because that wasn't true. They had read things incorrectly from the beginning. I had always been sceptical about the elite, and there they were acting as if to justify my suspicions."

Today things are different. The present generation of school-leavers have been educated in Bahasa Malaysia since primary school. Malaysian youth today are

reading and listening to both Malay and English mass media.

But Prof Ismail feels that the English-educated elite — especially non-Malays — might miss out on coverage of the Islamic movement in Malaysia.

★ ★ ★ ★ ★

"The problem about Islam in Malaysia, even if it seems to be a Malay problem, is relevant to all Malaysians. If one group in this country continues to ignore the Islamic movement, it could be in for a shock when the unexpected happens. It is dangerous to have an elite that doesn't know, or doesn't want to know what is happening in Malaysia," Prof Ismail says.

When the British encouraged an English-educated ruling elite to administer the country after Merdeka, they indirectly fostered a negative attitude towards the Malay language.

"Previously, the English/non-English dichotomy had a racial dimension," Prof Ismail

suggests. "Now we have a multi-racial English-educated elite versus the multi-racial vernacular-educated masses. Things are moving towards a class struggle or new feudalism."

"Even more surprising, the English-educated elite is re-emerging from the shock of the New Education Policy even stronger than ever. The Malay middle class — or more correctly, English-educated Malay elite — is giving new impetus to the increased use of English in mass media."

"How this affects the status of Bahasa Malaysia remains uncertain, but I foresee an interesting situation in the next decade when the totally-Bahasa educated generation will become the main audience of Malaysian mass media."

As head of Gapena, the Malaysian Writers' Federation, Prof Ismail laments the lack of support the private sector shows to the Bahasa Malaysia mass media. He says, "Advertisers

seem to shun the Bahasa Malaysia Press, on the grounds that the Malays are not a strong economic power. But I feel the private corporations have a responsibility towards the national language Press."

But doesn't the high advertising revenue of English language papers reflect their more aggressive marketing approach?

Yes, partly, says Prof Ismail. "But the private sector is reluctant to advertise in the Bahasa Malaysia Press and in one way we can interpret this as a sophisticated sabotage of the Bahasa Malaysia Press."

Prof Ismail's views have aroused strong reactions from various quarters, but Prof respects his critics, saying, "I like intellectual enemies, not personal enemies. It is healthy to disagree, as long as disagreement is peaceful and the arguments objective. If you can't stand critics, then don't say or write anything at all."

MALAYSIA

AIR FORCE PROPOSES PURCHASE OF FOUR AWACS

Kuala Lumpur NEW STRAITS TIMES in English 7 Jan 85 p 2

[Article by Sabry Sharif]

[Text] Kuala Lumpur, Sun--The Royal Malaysian Air Force (RMAF) will have an "eye in the sky" advantage if the Government agrees to its request for Airborne Warning and Command Systems (AWACS) aircraft under the Fifth Malaysia Plan (FMP).

The RMAF is understood to have proposed the purchase of four AWACS to beef up its air defence system.

However, initial deployment is likely to be only two such aircraft because the Government may have to give priority to other areas of the economy besides defence.

Highly-placed Government sources said today the AWACS will be operational as early as 1990 if the negotiation for the purchase of two AWACS starts as early as 1986 when the FMP begins.

The remaining AWACS could be introduced into the RMAF inventory during the Sixth Malaysia Plan, said a source.

"In this way, the Government need not fork out that much money for the AWACS during the Fifth Malaysia Plan," added the source.

Study

It is learnt the RMAF top brass approved the proposal for the AWACS at their last meeting in early December.

They also discussed other aspects of RMAF fleet modernisation and improvement during the meeting based on a working paper submitted by a special RMAF committee.

The committee had carried out a study of the RMAF sometime in the middle of last year before compiling the paper containing proposals for the RMAF fleet modernisation and improvement under the FMP.

Ministry of Defence officials were not available for comment.

The Government sources said the AWACS would contribute significantly to the RMAF's responsibilities and tasks of protecting the country's airspace.

"For example, the decision by Saudi Arabia to purchase five Boeing E-3A AWACS will give the country better air defence capability than a network of 48 ground-based radars, said a source.

"The AWACS can warn of the approach of enemy attack aircraft, warn friendly attack aircraft of hostile interceptors or give them the best updated course to steer to avoid defences or find a hostile ship," added the source.

Limited

The AWACS could even assist and direct a land or sea battle.

However, these complex machines are very expensive and for that reason, the RMAF believed initially only two AWACS should be procured.

The Government sources said the choice of AWACS is limited.

In the Western world, major land-based AWACS aircraft like the American Boeing Corporation E-3A and British Aerospace Nimrod are beyond the practical means of most air forces in terms of both costs and manpower.

The American Grumman E-2 Hawkey AWACS, already sold to Israel, Japan, Singapore and Egypt is more affordable.

It will be interesting to look out for the American Lockheed-Georgia company's proposed EC-130 Airborne Radar Extension (ARE) aircraft which is said to have all the facilities of the Grumman E-2 Hawkey AWACS, but with much greater operating space and endurance.

The British Aerospace Nimrod introduced in 1980 is being used by the Royal Air Force (United Kingdom).

The Boeing Corporation E-3A, on the other hand, is used by the United States, North Atlantic Treaty Organisation (NATO) member countries and Saudi Arabia.

Among the Communist bloc, only the Soviet Union manufactures AWACS known as Ilyushin II-76s.

CSO: 4200/531

MALAYSIA

BRIEFS

INDONESIAN FISHING BOATS SEIZED--Five Indonesian fishing boats along with their equipment have been seized in three operations this month for encroaching into Malaysian territorial waters. Over 100 fishermen who were arrested are at present serving 1-month prison sentences. Seven persons below the age of 16 were spared prosecution. The public relations officer of the Maritime Coordination and Enforcement Center, Mr Abdul Hamid Abdul Shukor, gave these details to newsmen in Lumut, Perak. [Text] [Kuala Lumpur International Service in English 0600 GMT 16 Feb 85]

CSO: 4200/543

NEW CALEDONIA

OFFICIAL CONNIVANCE CHARGED IN KANAK KILLING

Melbourne THE AGE in English 16 Jan 85 p 7

[Article by Helen Fraser: "Kanak Leader Killed 'With Agreement of Pisani'"]

[Text]

NOUMEA, 15 Jan. — The president of the Kanak provisional government, Mr Jean Marie Tjibaou, claimed tonight that Kanak independence leader Elol Machoro "was assassinated with the agreement of the special French High Commissioner, Mr Edgard Pisani".

A seven-page document released by Mr Tjibaou contradicts the official French version of how Mr Machoro and his aide, Marcel Noraro, were killed by gendarme marksmen.

A final French statement issued on Saturday said: "At 5.59 am, authorisation to open fire was given by General Delber conforming with instructions given to him by the High Commissioner."

The deaths occurred early on Saturday morning on a Kanak property, near La Foa, 120 kilometres north of Noumea where several dozen FLNKS militants were meeting, surrounded by 200 to 300 gendarmes.

The final French version of the killing changed the first statement which said that several Kanak militants were wounded and a second statement which said that Mr Machoro came out of the house shooting at the gendarmes.

Autopsy reports show that Mr Machoro was shot in the chest. The marksman is reported to have said, "Voila, I've just killed the ape in sunglasses".

The High Commission statement alleges that shots were fired at the gendarmes by the Kanaks and in particular were fired after the third warning, given at 6.10 am. The order was to "neutralise" the group, not to shoot to kill.

The FLNKS description of the event (based on reports from 37 militants arrested and others who escaped) alleges that an FLNKS messenger was sent to Noumea and that an FLNKS leader met Mr Pisani at midnight on Friday to ask for a truce.

The statement described how on two previous occasions, at the request of the High Commissioner, Mr Machoro had agreed to free captured gendarmes, leaving all guns at the scene.

No reply

Mr Pisani did not reply to the FLNKS request, the statement says.

The FLNKS version says Mr Machoro had a long talk on Friday evening with the gendarmes' commander, that the militants were awaiting Mr Pisani's reply to the truce request, that Mr Machoro had forbidden any shooting without orders and that he was shot as he stood near the fence on the property with his gun slung over his shoulder.

The arrested FLNKS militant said that when they had surrendered after the two deaths and were being driven away, they

heard shots which they alleged came from the gendarmes firing the FLNKS guns to prove later that they had been used.

Mr Machoro, who turned 40 on the day he died, was buried this morning at his tribal village of Nakety near Canala on the east coast. Mr Monoro was buried in his village of Mia at Canala after funeral services attended by more than 1000 people were held yesterday for the two men.

A convoy of over 100 cars left the Noumea morgue yesterday morning with the bodies of the two men to make the three hour trip to Canala. The convoy was escorted by gendarmes.

Speaking at the morgue to a crowd of 2000 Mr Tjibaou said: "These are perhaps not the last whose blood will enrich the land of our ancestors... We stay open to discussion but we will not negotiate at all for sovereignty of our country."

Mr Yeiwene Yeiwene, Minister for solidarity and finance in the Kanaky Government said after the funeral service that "if the violence continues in this fashion we will have two or three more deaths. We were ready to help Mr Pisani but now his plan is finished — the problem of the French nationals is his problem. The barbaric behavior of French nationals is an obstacle to our future solution between us."

NEW CALEDONIA

SABOTAGE ARRESTS EMBARRASS FLNKS; GENDARMERIE ROLE DISCUSSED

Paris LE MONDE in French 30 Jan 85 p 40

[Article by Frederic Filloux: "Arrest of Those Responsible for Kouaoua Sabotage Embarrasses the FLNKS"]

[Text] After the arrest of three of the perpetrators and their three accomplices for sabotage of rolling stock of the Kouaoua mine, it appears that this action implicating members of the FLNKS--among whom several were reportedly also members of the Kanak Liberation Party (the Palika being regarded as the most radical in the independence movement)--embarrassed the leadership of the FLNKS. Its spokesman Mr Yeweine, without formally condemning these acts, indicated that a party official had been assigned to clarify this affair, and to "limit the actions by reminding of the political policies established by the FLNKS" (...) Not until after the Parliament vote on the bill organizing self-determination will the FLNKS convene a congress to establish its policy up to the referendum. For the present, Mr Yeweine indicated that the Kouaoua action was "premature."

Gendarmes and Customs

Noumea--The speed with which the gendarmerie carried out the investigation of the Kouaoua mine sabotage demonstrated its perfect knowledge of the Melanesian world. In carrying out their daily tasks, the territory gendarmes have to considerably exceed the scope of their traditional functions. They must constantly adapt to the particular structures of this community, beginning with assimilation of the complex custom practices that regulate it. In order to ease their task, these Caledonian gendarmes have increased authorities compared to their counterparts in France.

Among the most important of these specific functions is that of "agent of customary affairs," in other words, a notary of the bush. When a discussion on a point of customary law becomes necessary--for a succession problem, a dispute, or an issue of tribe management, the customary hierarchy submits a request for palaver to the subprefect, and this requires keeping minutes. A gendarme of the squad involved--there are 33 on Grande Terre and in the Loyaute Islands--goes to the tribe with his typewriter to prepare the

document. In accordance with the sacred rules of the Kanak society, the discussion lasts until the participants reach a unanimous decision.

Often, the role of the gendarmes is less official. They can serve as legal advisers or attorneys for members of the tribe by helping them complete the administrative formalities or by writing their letters, or even, and this has happened, preparing the official speech that the top chief is to give on arrival of the high commissioner.

The gendarmes do not regard themselves as victims of the racial conflict often alluded to in connection with antagonism between the Kanak and European communities. Also, 15 percent of their force is composed of Melanesian gendarmes--these are not auxiliaries as previously--who are distributed in almost all parts of the territory, including sensitive points.

At the time of the troubles that followed the territorial elections of 18 November 1984, these special ties, created within the squads with the Melanesians, were broken. The invasion by units into the bush and the operations to maintain order changed the confidence of the Melanesians in "their" gendarmes. However, this was only a momentary eclipse. To the surprise of the squad commanders, as soon as the tension had eased the relations resumed, with amazing rapidity. Certainly, the contacts that this made possible helped the gendarmes in the investigations that they had to make.

The fact remains that sometimes the process of justice is undermined by community obstacle. The gendarmes are then powerless. This happened, for example, in the case of the investigation of the murder of the Yves Tual young people on 11 January at Boulouparis. Its perpetrators were identified but cannot be located. On the other hand, in the case of the Kouaoua mine sabotage, the customary structures had no influence one way or the other on the arrest of the guilty, which the gendarmerie investigation alone made possible.

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CSO: 4219/37

PAPUA NEW GUINEA

HAYDEN'S VISIT TO REFUGEE CAMP BANNED

HK160730 Hong Kong AFP in English 16 Feb 85

[Text] Port Moresby, Feb 16--The Papua New Guinea [PNG] Government today placed a last-minute ban on Australian Foreign Minister Bill Hayden's planned visit to a refugee camp near the Irian Jayan border. The Papua New Guinea Government said it had made the decision on the basis of the intelligence reports that between 50 and 70 members of the Irian Jaya independence movement OPM [Organisasi Papua Merdeka--Free Papua Organization] had been near the camp. Mr Hayden, who arrived yesterday on a three-day visit to Papua New Guinea, planned to visit the Kun Gim camp, about half an hour's flying time from the Western Province town of Kiunga, today.

A leader of the Irian Jayan independence movement asked Mr Hayden for help in arranging discussions with the United Nations, Papua New Guinea and Indonesia so as to find a settlement to the refugee situation. Regional OPM leader Gerard Thomy in a letter to the Australian foreign minister requested Mr Hayden to approach United Nations Secretary General Javier Perez de Cuellar. The letter proposed that the secretary-general visit the border area to talk with both refugees and the OPM leadership from Merauke District in Irian Jaya which borders on PNG's Western Province. The letter said the refugees should not be returned "before the United Nations and the Indonesian Government have settled the problem honestly with us."

At a press conference yesterday Papua New Guinea Foreign Minister John Giheno said that deciding who among the 10,000 Irian Jayans now in camps along the border were refugees and who were mere border crossers was a big job which would "take time." He said the government was working on a plan to get them back and he hoped this could be achieved this year.

CSO: 4200/569

PHILIPPINES

RESPONSE TO U.S. PRESS FOR PRIVATIZATION SUMMARIZED

Manila BULLETIN TODAY in English 26 Jan 85 p 17

[Text]

The United States, which is the largest contributor of funds to the International Monetary Fund, the World Bank and the Asian Development Bank, is quietly prodding the Philippine government to "privatize" viable commercially-oriented activities in which government-owned or controlled corporations are heavily involved or are a dominating force.

The US is believed to be principally behind IMF-initiated measures that call for free trade in the Philippine export industries like coconut and sugar.

The US position, according to sources, became evident late last year when it questioned the grant by the Asian Development Bank of an \$85 million energy loan to the Philippines.

The loan, with the Philippine National Oil Co. as borrower,

is to be used to upgrade operations in petroleum refining, coal mining and shipping.

Concern had been raised that upgrading of refinery capacity of a public sector enterprise is being undertaken at a time when private sector enterprises are facing excess capacities.

Aside from PNOC, Caltex, a US-owned company, and Pilipinas Shell of the Royal Dutch Shell group, also operate oil refineries locally.

The ADB is already undertaking a study that would provide inputs to the preparation of a program of "privatization" by the government with PNOC as a model.

The study, along with another one on the oil refining sector, is expected to help shape the future of private enterprise in the country.

Government sources admitted however, that priva-

tization has already become an accepted fact of life in deficit-ridden treasuries of both developed and developing countries.

Among countries which have already sold or are in the process of disposing government interests in public sector enterprises are Britain, Turkey, Holland, Denmark and Germany.

But sources warned that selling off large companies could be a long and tedious process.

In the case of PNOC, for example, it would be next to impossible to sell it in one block, considering the amounts involved.

Based on its 1983 financial statements, PNOC's total assets were reported at more than P25 billion.

What would probably happen, sources said, is for PNOC to be dismembered and for the pieces to be sold to interested parties.

PHILIPPINES

PROFESSOR ON U.S. SUPPORT FOR POST-MARCOS MILITARY TAKEOVER

HK151225 Davao City PEOPLE'S DAILY FORUM in English 31 Jan 85 p 5

[Text] The United States Government is likely to endorse and actively support a military takeover in the country should the radical left emerge as the viable opposition after President Marcos, a professor at the state university said in a recent analysis of a post-Marcos military set-up.

The growing communist insurgency movement, therefore, is an "incentive" to the American Government to favor a military regime, Felipe Miranda, University of the Philippines professor of political science, said in a discussion paper entitled "The Military in a Post-Marcos Philippines: Short-Term Scenarios...."

There have been overt indications from Washington that the U.S. is "deeply concerned" about the rise of New People's Army activities. Ranking American officials Richard Lee Armitage, U.S. assistant secretary of defense for international security affairs, and Paul Wolfowitz, assistant secretary of state for East Asian and Pacific Affairs, on a visit to Manila early this month, emphasized the communist insurgency threat and the need to implement a "comprehensive program" to counter it. Armitage, in his departure statement, said, "The U.S. Defense Department believes that our support can be most effective when these kinds of problems (referring to those of the Armed Forces of the Philippines such as material requirements and training) are faced squarely and honestly by both sides."

Wolfowitz for his part, took up with Minister of Foreign Affairs Arturo Tolentino the issue of a larger military aid in 1985. Tolentino has said U.S. assistance may take the form of advisers who will help train AFP officers and men.

President Marcos has talked of a "quiet ongoing" program of equipment build-up to fight insurgency involving \$100 million spread over five years.

Former U.S. Secretary of State Henry Kissinger recently said member nations of the Association of Southeast Asian Nations (ASEAN) "strongly support a U.S. military presence in the Philippines."

Observers see this show of worry by the United States over the communist threat and its pledge of full support for the military as a clear prelude to the choice the U.S. is likely to make should it be confronted with a power vacuum in case Marcos dies and the moderate opposition is unable to succeed.

Miranda said the U.S. may also be inclined to support a kind of regime wherein the military rules behind the facade of a civilian technocracy. He said the U.S. would try to "cosmeticize" this kind of rule by pressuring Philippine authorities into implementing "new society" programs, a virtual replay of 1972 politics.

The UP professor, who has done a number of studies on the military proposed that opposition forces should rapidly build up civilian political institutions to diffuse the option towards military rule in the next three years. In doing so, Miranda urged some oppositionists to forego, at least tactically, their radical orientations.

"Nationalists would have to reach some kind of modus vivendi with American security if not economic interests...prudence might dictate a modification of an unqualified demand to dismantle the bases...."

Miranda noted that a "highly developed sense of strategy and tactics" of the radical left might delay a military takeover. For instance, he said the left may undertake more "united front work" that would help neutralize some elements of the military.

He presented three possible political landscapes in the future.

Within a year, should there be a sudden termination of the Marcos government due to natural or political causes, the "greatest possibility" is an outright military coup or veiled control by the military.

In his second scenario, he assumes that Marcos is ousted due to "pressure politics" built up in one to two years' time. He envisions destabilization moves to be spearheaded by a united front.

At the same time, internal consolidation goes on in the military with some elements, which Miranda calls "politicized" or non-constitutionalists, still dedicated to capturing political work.

At this stage, opposition leaders, the UP professor suggested, should try to enlist the support of the professional soldiers in the military and avoid antagonizing them. He proposes a two-pronged strategy of isolating the bad eggs, the corrupt, "politicized," and violators of human rights, while building up goodwill with military men of exemplary service and conduct.

The opposition can also guarantee that military personnel will continue to get material benefits now being enjoyed by them, with clear commitments to improve on these benefits should there be a successful change in administration.

The third scenario is optimistic. Miranda sees the eventual resignation or retirement of Marcos in two to three years' time.

In this scenario mass political organizations lead to the formation of viable national political opposition parties, the judiciary and batasan emerge as independent bodies because of popular pressure, the economy is in a less critical condition and there's a decrease in the stridency of political demands.

A military coup will be much delayed in this kind of situation, Miranda said. But, he said, "the longer this option is put off, the harder it becomes to consider it and make it successfully work...the most effective check on illegitimate military intrusion is operational civilian political institutions."

In arriving at these scenarios, Miranda considered key propositions, namely, that the military option to take over political control is a distinct possibility within the next three years; that this option becomes more difficult to take the longer it is delayed; that this delay is facilitated by increasing the operational capabilities of civilian political institutions; that currently the most critical need is the for the aboveground opposition to build up mass political groups; and that military takeover becomes less imminent as the radical left desists from "adventuristic opportunism" and continues its organizational work basically within the limits of united front activities.

CSO: 4200/549

PHILIPPINES

STUDENT DEMONSTRATORS BURN UNCLE SAM-MARCOS EFFIGY

Quezon City ANG PAHAYAGANG MALAYA in English 26 Jan 85 p 8

[Text]

The fearless attempt of some 3,000 students to reach the bridge of Mendiola was cut down as the anti-riot police blocked their way and put up five-layer barbed wire on the bridge.

The rally was held by MAKABAYAN (Mag-asal at Kabataan para sa Kalayaan ng Bayan), a coalition of all youth and student organizations to protest alleged intervention in domestic Philippine affairs of the World Bank and the International Monetary Fund and in support of the nationwide strike that will be launched by ACTO (Alliance of Concern Transport Organization) on Monday.

"This is an opening salvo for a series of protest actions planned to flow the streets for the next few days," a Makabayan member said.

Brig. Gen. Narciso Cabrera, Superintendent of the Western Police District (WPD), declared the rally as illegal. He said he will file charges against the rally leaders for violating city ordinances requiring rallyist to acquire permit.

The marchers sang nationalistic songs and then they burned two-headed effigy depicting Uncle Sam and Marcos.

CSO: 4200/537

PHILIPPINES

OPPOSITION LEADERS ON MARCOS CPP 'FAUX PAS'

HK150929 Quezon City ANG PAHAYAGANG MALAYA in English 10 Feb 85 pp 1, 8

[Text] Capitalizing on what they called a "presidential faux pas" legal luminaries of the opposition pressed yesterday their demand that all subversion and rebellion charges anchored on leadership or membership in the Communist Party of the Philippines be dismissed and respondents held in military jails released.

Fresh salvos were fired at the president yesterday by former Senators Jose W. Diokno and Ambrosia Padilla, and lawyers Joker Arroyo and Teofisto Guingona for the president's statement Wednesday that there is no law now outlawing the Communist Party of the Philippines.

All four declared the president wrong, pointing out that in 1981 he issued Presidential Decree [PD] No 1835 specifically outlawing the Communist Party of the Philippines (CPP) and its military arm, the New People's Army (NPA).

"His advisers forgot about the existence of PD 1835," said Diokno and Arroyo who are chairman and vice chairman, respectively, of the Free Legal Assistance Group (FLAG) which has been defending subversion suspects accused by the military.

Both Diokno and Arroyo, as well as Padilla, jeered the president's legal advisers for causing the president to make his 6 February statement. "Whoever advised Mr Marcos to say that there is no law outlawing the Communist Party should be sent back to law school for embarrassing the president," Diokno and Arroyo said.

Padilla, for his part, said it is the president's legal advisers "who should go back to basics and study the law books all over again," paraphrasing the president's words in rebuking administration critics on the CPP issue.

But while they insisted that the president had, indeed expressly outlawed the CPP/NPA by issuing PD 1835, the opposition lawyers said that rather than eat his own words the president should back them up with positive action.

"In view of the presidential faux pas, all subversion and rebellion charges anchored on leadership or membership in the Communist Party of the Philippines or the NPA should be dismissed," said Diokno and Arroyo. "After all, under the Marcos (1973) Constitution, all acts of the president have the force and effect of law."

Padilla and Guingona said that if the president was correct, he should have ordered the release of hundreds of subversion suspects who are now held in military jails for alleged violation of Presidential Decree No 885 under which the president had claimed, the Communist Party of the Philippines was no longer considered illegal.

In their joint statement, FLAC leaders Diokno and Arroyo laid the following historical antecedents of the legality issue:

"In 1957, the defunct congress enacted Republic Act [RA] 1700 designed to outlaw the partido Komunista ng Philipinas (and its military arm the Hukbalahap).

"In 1968 or thereabouts, the Communist Party of the Philippines (CPP) and its military New People's Army (NPA) came into being. These are different from the PKP or the Huks.

In 1972, martial law was imposed allegedly to curb the communist insurgency, among other purposes.

"In 1976, PD 885 was enacted repealing RA 1700. In this decree, neither the CPP and the NPA, nor the PKP and the Huks, were mentioned by name. So, in the various subversion and rebellion cases before military tribunals, we sought for the dismissal of the charges on the ground that there is no law which penalizes leadership or membership in the CPP or the NPA.

"The military commissions consistently denied these motions.

In 1981, to offset our continuous assertion that there is no longer any law that outlaws the CPP or the NPA, Mr Marcos was persuaded by the military to enact PD 1835 so that the CPP and the NPA would be specifically outlawed. However, the decree was not officially published until 2 July 1983.

"On 6 February 1985, Mr Marcos said that there is no law outlawing the Communist Party. His advisers forget about the existence of PD 1835.

"On 8 February 1985 Justice Minister Mendoza admitted the existence of PD 1835."

CSO: 4200/561

PHILIPPINES

OVERVIEW OF ECONOMY, SOCIETY CONCLUDES MARCOS RULE WANING

Broadway THE NATIONAL TIMES in English 1-7 Feb 85 pp 13-16

[Article by Steve Lohr: "Twilight of the Marcos Era"]

[Text]

HIS MORE strident critics call him a dictator. If so, the dictatorship of Ferdinand E. Marcos is one with a very loose weave. In the Philippines, people don't suffer authoritarian rule in quiet moroseness, pinioned by fear, as they do in, say, General Alfredo Stroessner's Paraguay.

Instead, street protesters decry the "Marcos dictatorship" -- and, just as often, the "US/Marcos dictatorship" -- with brightly coloured banners, sometimes ending their demonstrations with a ritualistic burning of the effigies of Marcos and Uncle Sam in front of Malacanang Palace, the presidential residence.

But it is not out of character for a young leftist to castigate American imperialism while sporting a Harvard T-shirt and smoking a Marlboro, or for him to be worried that he might miss the Michael Jackson look-alike contest that evening.

Attendance at the anti-American demonstrations in front of the United States Embassy in Manila is almost always surpassed by crowds inside trying to migrate to the US.

If a demonstration with 5,000 marchers is broken up one day by the police with truncheons and tear gas, an "indignation rally" twice that size will follow several days later. Demonstrations have become common in the year since Benigno Aquino, Marcos's foremost challenger, was assassinated on the tarmac of the Manila International Airport.

This nation of sweeping diversity and zany juxtapositions seems singularly unsuited to tight central control.

Geographically, its 53 million people are scattered across a 7,100-island archipelago.

Culturally, it is an Asian melting pot, heavily spiced with Spanish and American influences from its colonial past.

Linguistically, it is the home of so many native languages and dialects that Marcos in his addresses to the nation speaks English to ensure that the maximum number of people will understand what he is saying.

These addresses are not the only means by which Marcos reveals himself to his people. A kind of Marcos family home movie is shown on evening television news shows. The Government controlled newscasts typically show the President receiving some foreign dignitary or businessman; his wife, Imelda, snipping the ribbon to dedicate a pet project; their daughter Imee delivering an oration at the National Assembly, and so on.

Marcos is always the star of the show, placing his personal imprimatur on every significant act of government, a government that runs by presidential decree. So a day without the Marcos-in-action vignettes is noteworthy; two days is extraordinary; and three days or more is taken as a sign that something may be very wrong.

Which explains the alarm that swept through Manila in mid-November after Marcos had been conspicuously absent from the nightly newscasts for a few days. Reports began circulating in Manila -- and throughout the world -- that Marcos had suffered a heart attack, that he had undergone kidney surgery, that he had undergone surgery or a heart transplant, that he had died.

After a week of mounting speculation, the presidential press office finally released the information that the 67-year-old President was suffering from "early signs of the flu". Senior Government officials said privately that Marcos had been taken to hospital, but seemed to be recovering.

The nature of his medical problem, as always, was a closely guarded secret, although

it was widely thought to be related to systemic lupus erythematosus, an immune-related disease that often affects the kidneys.

As the drama unfolded, Government spokesmen became visibly irritated that the more they denied that Marcos was seriously ill, the more convinced people were that the President's physical condition had deteriorated.

Cardinal Jaime Sin, the powerful Roman Catholic Archbishop of Manila, who has become a leading critic of Marcos, offers this explanation for the widespread distrust of the Government: "If the administration is suffering from a serious credibility problem, if the people simply do not believe what it is saying, it is because the Government reputation for telling the truth is the worst imaginable."

Today, not only has the Marcos Government lost much of its credibility but Marcos himself is losing his once-unshakable grip on power. This does not mean that the post-Marcos era will begin tomorrow, or next month, or next year. Unless his health gives out completely, Marcos will probably remain in the presidency until 1987, when the next election is scheduled.

Though the country may be facing the most severe political and economic crisis since 1946, when it gained its independence from the United States, Ferdinand Marcos still holds most of the levers of power. He will relinquish them one by one and only when he is forced to.

And he is being forced to right now, as those opposing him include, for the first time, not only his traditional political opponents and the urban and rural poor, but priests and nuns, business leaders as well as members of the oligarchy who had supported him in times past.

EVEN within his own party, the New Society Movement, Marcos's power is waning. In the elections for the National Assembly last May, some top party members chose to avoid mentioning the President or the party in their campaigns. Such independence is apt to be more prevalent in the future, especially since the opposition made surprising gains in the elections, winning 62 of the 183 contested seats, up from 14.

There is, as well, a sizable faction in the National Assembly, one including Foreign Minister Arturo M. Tolentino, that is challenging the very heart of Marcos's presidential powers: his authority to rule by personal decree.

When he won the presidency in 1965, Marcos — a stirring orator, an ardent nationalist and a brilliant lawyer — was widely hailed as the sort of leader needed to place the Philippines on the path of rapid development and social reform. He was often likened then to

John F. Kennedy.

But Marcos's 19-year rule has resulted in endemic corruption and favouritism; in the crippling of governmental, business, judicial and military institutions; in a further impoverishment of the millions who live below the poverty line; in a foreign debt of \$25.6 billion; and in a growing communist insurgency.

Washington is increasingly worried that its hitherto close ties to an unpopular authoritarian ruler may jeopardise its strategic interests in the Philippines, mainly the two largest American overseas military bases: Subic Bay Naval Base and Clark Air Force Base.

Accordingly, the Reagan Administration appears to be pulling back a bit from Marcos but at the same time pushing him into much-needed reforms, particularly the revitalisation of democratic institutions. Healthy democratic institutions, American officials say privately, will provide "shock absorbers" for the transition to the post-Marcos era.

International lending agencies and foreign banks are pressing Marcos to make structural changes in the nation's economy. Because foreign lenders hold the huge Philippine debts, they also hold the purse strings.

To win approval for a \$615 million stand-by credit from the International Monetary Fund last month, the Government has agreed to a program of reforms.

The changes, if implemented, will represent a wholesale shift away from Marcos's brand of "crony capitalism" — a form of state intervention in the economy through which he dispenses privileges to a select group of family members, friends and associates.

For his part, Marcos — the ever-skillful politician — has yielded to a number of demands. By Philippine standards, the May elections seemed to be fair. The investigation into the Aquino murder by a citizens' panel appeared to have been thorough and independent.

Gen Fabian C. Ver — the armed forces chief of staff and Marcos crony who stands accused by the citizens' panel of conspiring in the murder of the opposition leader — has been replaced, albeit temporarily, by his deputy, Lieut Gen Fidel V. Ramos, a West Point graduate who is known for his integrity and austere style of living.

A succession mechanism, too, is now in place, whereby the Speaker of the Assembly would take over and call for elections in 60 days if Marcos were incapacitated; the vice presidency, abolished in 1972, will be revived in the next election. And, for the first time since the free-wheeling days of the early Marcos era, the Government is tolerating full-scale anti-Marcos demonstrations, as well

as boycotts and a harshly critical press.

HERE, statistics are impressionistic," a foreign banker explains. He says it matter-of-factly, with no irony intended.

This is a country, after all, in which the Central Bank, in most countries a repository of statistical integrity, was caught in 1983 overstating its foreign reserves by \$600 million.

Here, the official unemployment rate is about 6 per cent, although private estimates put it at roughly 25 per cent.

At traffic lights, cars are surrounded by legions of beggars, emaciated women holding babies and rapping on the car windows. Frequently, these unfortunates get only a share of their meagre collections; most street corners are controlled by crime syndicates.

Today, the Philippines is a nation of a few enclaves of fabulous affluence separated from shantytown poverty by concrete walls, barbed wire and armed guards. (Gun-toting uniformed men patrol not only banks, office buildings and hotels, but fast-food chain outlets as well.)

Lourdes Carilo, a 59-year-old widow, lives with her son, his common-law wife, and an 18-month-old grand-daughter in a 6-by-8-foot shack in one of Manila's shantytowns.

With inflation running at 50 per cent and the peso halved in value in little more than a year, the price of basic foods such as rice, fish and vegetables has almost doubled. As the economy has withered, the poor have suffered the most.

Reliable statistics, as always, are scarce. Estimates of the undernourished range from 30 to 50 per cent, but survey methods vary and tend to lag behind worsening conditions.

Life has long been difficult for Lourdes Carilo, who has lived for 22 years in the makeshift dwelling constructed of plywood and a corrugated tin roof. In this shantytown, as many as 100 families share one water tap and toilet. Washing tends to be done in the rains, which typically break the tropical heat each afternoon for much of the year.

But things are worse this year than at any other time Mrs Carilo can recall. Once she used to sell fish and vegetables in her neighbourhood, but because of the inflation, she can rarely afford to buy them at the downtown market. And her 28-year-old son, Carlito, is finding work as a day labourer on construction jobs less often. When he does have a job, the pay is usually 50 pesos a day (just under A\$4).

Mrs Carilo eats a meal — a little rice, vegetables, cassava and occasionally small bits of fish — at most twice a day, often only once. Barefoot, wearing a simple smock-like garment, she points to a piece of hard cassava root and says: "I'll eat that tonight. Sometimes, I

have no dinner and just sleep my hunger out."

Sister Vincent Bourmeo, a nun who lives nearby, says that Mrs Carilo and her neighbours have joined anti-Government rallies in increasing numbers in the past year as economic conditions have deteriorated. Sister Vincent, who encourages and organises their participation, explains, "We are demonstrating for democracy and sovereignty, and against the US/Marcos dictatorship."

Like many nuns and priests in the Philippines, Sister Vincent is actively engaged in educating the poor on the "roots of their poverty". In her view, the principal offenders are Marcos, multinationals and imperialism.

Many nuns and priests are sympathetic to the New People's Army (NPA), the armed wing of the Philippine Communist Party, and are, in effect, collaborators of the insurgents.

Another hallmark of the Marcos years, besides poverty, has been the expansion of the military. There are nearly 200,000 troops in the Philippine armed forces today, triple the number when martial law was declared in 1972. (Martial law was lifted in 1981, but Marcos retains much of his old power.)

THE military's reputation for corruption and brutality is not one to inspire young recruits. In recent years, the number of "salvagings", or random killing of suspected NPA sympathisers, has increased, though the military insists that such abuses are not sanctioned as policy.

A 1983 nationwide survey by the Bishops Businessmen's Conference, a Roman Catholic organisation of business people, found that most Filipinos blame, first, the military, then Government officials, for the breakdown of law and order in their country.

A key reason for the rapid growth of the communist insurgency is the perception that the rebels offer justice, which the military does not.

A local official on the large southern island of Mindanao tells how the NPA operates as a law-enforcement agency. A village farmer, say, has a few of his cattle stolen. The man complains to the NPA. The guerrillas investigate the case, often taking two weeks or more (they usually focus on solving community problems in an area for as long as a year before they try to enlist new members). They locate the culprit and give him a choice. Give the farmer back his cattle or pay him for them.

If, in a week, the cattle thief refuses to do either, punishment is swift, with the death penalty occasionally meted out. The attention to due process may not be sufficient to satisfy Western civil liberties groups, but, the Mindanao official concludes, the NPA delivers a brand of justice that is generally deemed

in the Philippine provinces to be tough but fair.

A senior Western diplomat offers a contrasting anecdote about the military. Shortly after arriving in Manila, he asked one of his Filipina maids why she had come to the city.

Well, she said, her family had lived in a fishing village, but had to leave because they lost their fishing boat.

How, asked the diplomat. It was stolen, she replied. Did she know who took it? Yes, a neighbour, she said; he had a gun and her family did not.

Why didn't she get the police to help? They did not have enough money to pay the police, she said.

The accumulation of similar stories has shaped the respective reputations of the NPA and the military. It helps explain why, alone among South-East Asian countries, the Philippines has a communist insurgency that is advancing rapidly and that is now active in all of the country's 73 provinces. With an estimated 10,000 to 12,500 armed regulars, the NPA controls 20 per cent of the villages in the Philippines.

Another sobering trend is that more and more people have begun to accept the presence of the guerrillas and accommodate them, offering food and shelter.

The Government's counter-insurgency efforts seem doomed in many parts of the country because the local people would prefer to have the NPA in their midst than the military. In the provinces, people say only half-jokingly that NPA stands for "nice people around".

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"He's walling himself up more and more in the palace," a senior Government official says of Marcos, who meets his Cabinet ministers face to face less often than he used to and handles more of such communication by telephone.

Even his cronies see him less these days. In the last year, Marcos, an avid golfer with a four handicap, has given up his afternoon rounds of golf with friends on the palace course.

But while it may be Government by remote control, he is still the one at controls, with a steady stream of presidential decrees directing the Government.

The personalisation of power under Marcos is striking. It is not just the Ferdinand E. Marcos highways, bridges and community gymnasiums — or the half-completed Mt Rushmore-like bust of Marcos erected in northern Luzon that has so far cost \$US500,000.

There are countless smaller but perhaps more revealing examples as well.

Last November, the Government sent hundreds of tents as temporary shelter for typhoon victims whose homes were destroyed. The roofs of these tents carried huge letters saying, in Tagalog, "ALAYA NG PANGULONG MARCOS" — a gift of President Marcos.

Because Marcos is the Government, whatever largess flows from the Government is therefore his personal gift. But for the recipient, these gifts are to be construed as debts.

In the Philippines' personalised culture, the ethos of reciprocal back-scratching is akin to a sacred bond. A well-known expression, "*utang na loob*", translates roughly as a debt of honour or gratitude.

There are, in the Filipino world view, two kinds of people: the virtuous, who honour such debts, and the despised, who do not. After 19 years in power, Marcos is owed many favours by many people.

Still, nothing could shield him from the uproar over the murder of Benigno Aquino in August 1983. The killing irrevocably undermined the legitimacy of his Government. Fears of impending political instability set off a massive flight of capital, accentuating the problem of the worsening economy and forcing a re-evaluation in Washington of US policy toward the Marcos Government.

In retrospect, Filipino and foreign analysts say that the Aquino murder mainly laid bare basic flaws in the Marcos system. "The problems were there before, but after the Aquino thing nobody could fool themselves any longer," one foreign banker said.

The latest blow to the Marcos Government came in late October, when the citizens' panel investigating the Aquino assassination issued its findings.

The panel unanimously rejected the Government's contention that Rolando Galman — a gunman hired by communists — had killed Aquino, and concluded that there had been a military conspiracy. (Even before the release of the panel's report, millions of Filipinos had suspected that Aquino had been killed by Marcos's lieutenants.)

Among the 25 soldiers and one civilian the majority verdict found "indictable for the premeditated killing" of Aquino were three generals, including General Ver, a cousin of Marcos as well as his former bodyguard and chauffeur.

The Aquino case has now been passed on to Government prosecutors, who could reduce or even dismiss the charges. The case, too, could drag on in the courts for months or years.

"But for Marcos, the damage is done," says Maximo V. Soliven, a respected local newspa-

per columnist.

That a Marcos-appointed panel reached the tough conclusions it did is significant and a sign of the times. The five panelists — a retired judge, a corporate president, a corporate lawyer, the head of a pro-Government union and a university administrator — are members of the elite, the kind of people Marcos could always count on in the past.

"Marcos is not used to this sort of thing — talk about losing power," observes Vicente T. Paterno, a former Cabinet minister in the Marcos Government. "We were praying that the board would have the courage to say it was not Galman. The results of the board, all things considered, are incredible. It's great."

Paterno, a 59-year-old Harvard Business School graduate, says that through the 1970s he felt, as Marcos insisted, that for the sake of stability and efficiency, tight control by the central government was needed for a developing country like the Philippines — even if it meant some sacrifice of Western-style civil liberties.

Paterno left the Government at the end of 1980, finally deciding that "working for constructive change" was fruitless in the Marcos administration. He is now a business consultant and heads several entrepreneurial ventures.

AQUILINO PIMENTEL Jnr, a gravel-voiced 50-year-old opposition politician from the southern island of Mindanao, is fond of pointing out that he has been jailed three times by the Marcos Government and that the official election commission, regarded as an instrument of the President's will, has twice tried to overturn his victories at the polls.

"That's a record for a public official," Pimentel boasts.

He was arrested in 1973, after he had denounced and refused to sign a new constitution that gave the President sweeping powers. He was picked up again in 1978, following his protests that the National Assembly election in metropolitan Manila was fixed to defeat opposition candidates. Pimentel was arrested a third time in 1983 for alleged subversion, after — or so the Government charged — he had given 100 pesos (about \$8) to a commander in the New People's Army.

The charges have been a combination of political harassment and sheer fabrication, Pimentel insists. The last one, he says, "not only insults the integrity of the NPA commander, but it makes me look like a cheapskate."

Responding to public pressure, Marcos released Pimentel from a 10-month house arrest last April, which allowed him to run in the National Assembly elections the following month. Pimentel won, but in November the election commission overturned the result. The case is now before the Supreme Court.

"It's a no-lose situation for me," Pimentel says. If the court reverses the election commission decision, it will be a victory for Pimentel. But if Pimentel is ousted, the move will almost certainly prompt sharp protests from the opposition and demonstrations from Pimentel's supporters, merely adding to the national prominence of an increasingly popular Marcos rival.

To a greater degree than his peers in the opposition, Pimentel has won the respect of both the moderate opponents of Marcos and the more militant groups.

The moderates voted in the National Assembly election and advocated working for reform within existing institutions, but the more radical of the President's opponents boycotted the election and have chosen to express their views in anti-Government demonstrations or by joining the communist guerillas.

Above all, Pimentel's rising political fortunes can probably be explained by the fact that his anti-Marcos credentials are so pure. Most of Marcos's opponents at one time had links with the President or, at least, remained silent as he placed more and more of the powers of government under his personal control. Pimentel is mentioned as one of several presidential hopefuls in 1987.

IN October 1983, the Philippines told its foreign creditors it was too strapped to make payments on its overseas debts. More than a year later, the approval of the International Monetary Fund stand-by credit is finally permitting the country to stretch out payments on the \$25.6 billion it owes about 400 commercial banks.

But the international lending agencies and banks will keep the Philippine Government on a short leash from now on, and they are demanding structural changes in the economy. They want a dismantling of the state-sanctioned marketing monopolies, such as those controlling the sugar and coconut industries, which are empires, respectively, of Marcos cronies Roberto S. Benedicto and Eduardo Cojuangco Jnr.

Nor will there be further foreign money for major construction, such as industrial projects, which necessitated hefty amounts of foreign capital and sophisticated technology. Too often, they became vehicles for funnelling patronage to favoured loyalists.

Instead, greater emphasis will be placed on agricultural development, which requires less capital but more labour. This course seems better suited to a debt-burdened nation with rich agricultural resources and high unemployment.

"Marcos has no more goodies to hand out to his friends," says Jaime V. Ongpin, the 46-year-old president of a major mining company and one of the most outspoken critics of the Government in the business community. "That game is over."

The prescriptions for a sound economy have been met with both approbation and no small amount of scepticism.

"Sure, there have been lots of pretty plans before," says Quintin Salas Doromal. "There's nothing wrong with the plans. It's the execution that has been missing." Doromal is the director-general of the Philippine Chamber of Commerce and Industry, one of those who should have been a true believer in the new policy.

Business leaders, in fact, are some of the severest critics of the Marcos regime. Last March, the Makati Business Club, an organisation of more than 200 of the nation's top executives, took an extraordinarily blunt stand in enumerating the country's economic mistakes: "Excessive centralism, lack of accountability mechanisms, and economic policy based on massive external borrowings, long-term neglect of agricultural productivity, substantial waste of resources, and a government and an economic program increasingly isolated from the people."

That, by any measure, is a sweeping indictment, especially from people who run corporations subject to regulation by the same government they are criticising.

But, for the business community, these are desperate times. In 1984, the Philippine gross national product is expected to decline by 6 per cent, by far the worst performance since the end of World War II. This year, the economy will likely post no growth, admits Prime Minister Cesar E. Virata.

THE response of the President and his wife, Imelda, to the current political and financial crisis is either to deny that the Government has problems or to say that what troubles it has are ones of image, not substance, and largely the result of "black propaganda". The foreign press, especially American, is criticised as one of the principal sources of black, or unfavourable, propaganda.

Imelda Marcos apparently believes that marchers in the sometimes huge anti-Govern-

ment demonstrations are paid, even though there is no indication that the charge is true. The reasoning is revealing.

"These rallies cannot go on without money," she said at a luncheon of Filipino journalists last year. "Don't kid me that you can get one million people who you did not pay."

At Government rallies, she continued, "I give money to the artists who sing. I give money to pay for sandwiches. I give them everything. Still, some of them do not come to the rallies. Even at the height of martial law, this was true. One had to pay every single one of 20,000 people."

Marcos has tried to close the widening rift in his party and to slow the erosion of his power by projecting himself as a man in control. He has sounded this theme stridently, frequently and, it seems, a bit desperately.

When informing party leaders in early November of his decision to seek another term as President, he stressed, "I am healthy enough to run in 1987."

Another time, shouting into the microphones during a nationwide television address, he declared, "There is no indication that the Marcos Government can be overthrown by either the bullet or the ballot."

In times past, Marcos has had a reputation for being a brilliant political tactician. During congressional testimony in Washington a month before he was murdered, Benigno Aquino said that Marcos was "a master of Filipino psychology".

"He has played on the hopes, the fears, the vision and the anxieties of the Filipino like a virtuoso," he said. "The timing of his periods of repression and relaxation have been near perfect. He always knew when to pull and when to give."

He is giving now.

THE Philippines today boasts the most lively, outspoken press in South-East Asia. Although state-controlled television news shows still serve up the Government's version of reality, the newspapers and magazines represent a wide range of views and political persuasions. Marcos has tolerated much more criticism of himself and his Government in the press during the last year, as well as the foundation of several publications sympathetic to the opposition.

When Veritas, an opposition weekly, began publication in 1983, it stocked only a limited quantity of newsprint, figuring the Government might well shut it down after a few issues. Recently Felix B. Bautista, the paper's editor, conceded, "We have not been interfered with."

But the concessions could be too late for

Marcos. Today, those opposed to him are no longer content with gestures and half measures.

Meanwhile the moderate opposition, despite recent efforts at unification, remains fragmented. If it is unable to reconcile its internal differences, many see a possible polarisation of the country into the far left and the far right. And if Marcos refuses to implement the necessary economic and political reforms, more and more of the moderates may turn to the NPA.

In soliciting support, the NPA trades heavily on discontent with the perceived injustice and tyranny of the Marcos Government.

"We're as far as you can get from Marcos," says the commander of a small NPA unit who is known by the name of Gerardo, "and that helps us."

CSO: 4200/537

PHILIPPINES

CARDINAL SIN SAYS MARCOS USING DETENTION POWERS TO QUELL DISSENT

HK191430 Hong Kong AFP in English 1422 GMT 19 Feb 85

[Text] Manila, 19 Feb (AFP)--Jaime Cardinal Sin today said he feared a possible reimposition of martial law or a military coup in the Philippines following the recent breakup of protests and arrests of militant opposition figures.

In a speech before the Manila Jaycee Club, the archbishop of Manila also accused President Ferdinand Marcos of "indiscriminately, capriciously and yest, even satanically" using his detention powers to quell dissent.

"What is behind the series of well-orchestrated moves to stifle dissent and to discourage protest? Is the government bent on declaring martial law again in the near future? Or to be blunt about it, is the ground being laid for the staging of a military coup?" he said.

The cardinal said he viewed the possibilities "with the deepest degree of concern" and called on this heavily Roman Catholic nation to "stall whatever divisive moves may be in the works and achieve genuine reconciliation."

Mr Marcos ruled by martial law from September 1972 to January 1981.

Cardinal Sin cited the violent breakups of a transport strike on January 28 and a farmers' rally and students' march on February 12 as signs that the police and military had "hit the panic button."

President Marcos ordered 56 people led by leading film director Lino Brocka jailed for the transport strike but later freed those arrested. The leader of the farmers' protest was detained briefly, but two youth leaders were held on the chief executive's orders after the aborted student march.

Cardinal Sin, one of the most vocal critics of the 20-year-old Marcos administration, said there was a "basic incompatibility" between democracy and the president's decree-making and detention orders which were carried over from the martial-law period.

He warned that "[word indistinct] of those in power" were driving Filipinos to join the insurgency led by the Communist Party of the Philippines (CPP) and its New People's Army (NPC).

CSO: 4200/549

PHILIPPINES

PIMENTEL DISCUSSES POST-MARCOS SCENARIO, POLICY

AU211339 Paris AFP in English 1331 GMT 21 Feb 85

[Text] Brussels, 21 Feb (AFP)--Aquilino "Nene" Pimentel, a Filipino opposition leader and declared 1987 presidential candidate, forecast here today that ailing Filipino President Ferdinand Marcos, 67, will "die soon."

This could bring presidential elections before the year-end, and also carried the risk of a military coup by Marcos supporters, he said.

It was possible General Fidel Ramos, the acting chief of staff, might not respect the constitutional process in the event of Mr Marcos' death, Mr Pimentel said.

Mr Pimentel, calling Mr Marcos a "dictator," added that Mr Marcos' wife, Imelda, a powerful figure in the present regime, had "no chance" of succeeding him, and would be "chased from the country" on his death.

Mr Marcos, reportedly in frail health, confirmed his plans for 1987 presidential elections last month, and has said he would seek a fourth term.

Mr Pimentel, candidate of the centre-left Philippine Democratic Party for 1987, said the party wanted any "transition period" between the Marcos regime and a new presidency to be calm and peaceful.

But all those who had been compromised under the "old regime" would have to "pay for their mistakes" and face trial, he said.

Mr Pimentel, who arrived in Brussels yesterday from Washington and will go on to Paris tomorrow, denounced U.S. support for the Marcos regime. He said his party wanted a new constitution drawn up, the Communist Party legalised, negotiations opened with the Moslem separatists of the New People's Army [as received], and renegotiation of the Philippines' debt of \$26 billion with the International Monetary Fund and the World Bank.

He also called for strengthened ties between the Philippines and the other five members of the non-communist Association of Southeast Asian Nations (ASEAN)--Thailand, Indonesia, Singapore, Malaysia and Brunei.

CSO: 4200/562

PHILIPPINES

KBL VISAYAN BLOCK PUSHES FOR SNAP ELECTIONS

Quezon City ANG PAHAYAGANG MALAYA in English 25 Jan 85 pp 1, 2

[Article by Marlen Ronquillo]

[Text]

A powerful Visayan political bloc is lobbying for a snap presidential election apparently to clinch the presidential draft of the Kilusang Bagong Lipunan, a highly-placed government source said yesterday.

The source said leaders of the bloc have asked a senior member of the cabinet "to float the idea" of a snap election to national and regional leaders of the KBL.

The source did not name the presidential standard bearer supported by the bloc. Neither did he give assurance that President Marcos is the bloc's unanimous choice to be the KBL's banner in the snap presidential election it wants.

"Top KBL leaders who have heard of the bloc's clamor for an early presidential election are lukewarm to the proposal, sensing the ruling party's preparations are all for the local elections in 1986 and the regular presidential elections in 1987," the source said.

The source said the KBL's consensus is for a regular presidential election with President Marcos as standard bearer.

The lukewarm response to the Visayan bloc's lobbying for a snap presidential election notwithstanding, its maneuverings to reset the presidential election have been interpreted as a major sign that sudden election might be held this year.

The source said the bloc holds considerable sway in the ruling party, although its full influence was not assessed.

Other events which preceded the lobby for an early presidential election by the Visayan bloc have also been considered as main indicators a sudden election might be called this year.

An election code is being firmed up by the ruling party to provide the guidelines for forthcoming elections. Without the code, no guidelines will cover elections, whether sudden or regular polls.

The political opposition has been preparing since October for a snap election, believing a presidential election might be called this year and President Marcos is not participating.

The political opposition anchors its belief on a snap election on reports that President Marcos's health is fast slipping, and, he has to prepare the country for a smooth transition to the post-Marcos era before he leaves politics.

At least three major opposition groups are preparing for a sudden election, readying both their tickets and their platform of government.

These are the Convenor Group, the United Nationalist Democratic Organization, and the Liberal Party-Kalaw wing.

The internal conflicts in the KBL over policies and thrusts have been played down, but published reports indicate the once-solid ruling party is now rocked by intramurals, mostly triggered by presidential ambitions.

Last Jan. 7, Asiaweek reported, Defense Minister Juan Ponce Enrile and the Human Settlements Minister Imelda Romualdez Marcos, the president's wife, tangled over the insurgency problem in the country.

Enrile reaped Mrs. Marcos' ire when he reported to a Cabinet caucus the inroads of insurgents in the country's barangays. Enrile was quoted by the magazine as saying the New People's Army holds an arsenal of 8,500 firearms; it controls 3,500 of the 42,000 barangays and influences many more.

Mrs. Marcos, not pleased by Enrile's report, said: "If these facts are correct, then there was a failure in the Ministry of Defense."

Mrs. Marcos, Enrile and Ople are the three most prominent figures in the ruling party's preparation for a post-Marcos scenario.

Enrile and Ople have publicly announced their intention to seek the KBL slot in a presidential election without Mr. Marcos, but Mrs. Marcos has denied she has presidential ambitions.

Ople, in a recent talk at the National Press Club said Mrs. Marcos has the "first claim" to the party nomination in an election without the incumbent president.

"Cultural practices will favor Mrs. Marcos, since several top leaders of the party owe Mrs. Marcos a lot," Ople said.

Ople said, however, that seeking the slot will not be easy, and "there will be no presidential drafts." The standard bearer will be chosen through a process or a struggle," Ople said.

There are other KBL figures mentioned as possible party standard bearers, but not one has admitted interest in running for president.

Prime Minister Cesar Virata, Deputy Prime Minister Jose A. Rono, industrialist Eduardo Gojuangco Jr., and at least a dozen governors and members of parliament have been mentioned as possible presidential bets.

CSO: 4200/537

PHILIPPINES

COLUMNIST ANALYZES SALONGA ROLE IN LIBERAL PARTY

Manila BULLETIN TODAY in English 27 Jan 85 p 6

[Commentary by S. W. Yolanda: "The Legitimization of the Opposition"]

[Text]

INEVITABLY, rivals, adversaries, and critics will make much of Jovito Salonga's apparent switch from being a declared non-presidential candidate (note previous statements in the papers) to his hint that he may be candidate ("I'll do what my party wants me to do" and to giving "serious consideration" to a draft). But making an issue out of switches and inconsistencies has seldom been effective political tactics anywhere. Politics is, after all, the art of the possible: conditions and opportunities are the determining factors in the decision to run or not to run for public office.

Still, Salonga's main concern is, first, the reconstruction of the Liberal Party, and, second, if that is at all within his persuasive power, the marshalling of opposition forces for the coming political battles. These are by no means straightforward and easy tasks.

In the first place, Salonga is obviously at ideological odds with

his own principal colleague, MP Kalaw, who has come out squarely for the retention of US bases. While proclaiming that there is no longer a Salonga and Kalaw wing in the Liberal Party, there is no doubt about a "radical" and "conservative" wing. Hence, Salonga's task of reconstruction.

In the second place, there is the fact of Salonga's clear sympathy with the "platform" of the Convenor Group, which MP Kalaw did not sign on behalf of the Liberal Party. The woman MP could very well say that she did not because the whole matter required party sanction. But it could well be — in her case as well as Salonga's — the LP would not care to be a captive of the Convenor decision when it comes to finally selecting the standard bearer.

In a word, there is the issue of legitimization. Strange words to use for the opposition forces, that they have to be legitimized. But it is not because of any law but of public acceptance. A candidate

chosen by an informal group, with neither structure nor internal "institutions" will not go far, considering the minds of voters, conditioned by party politics.

There has to be a duly constituted political party which will select delegates from all over the country in order to choose their presidential and vice-presidential candidates in a proper nominating convention. No legitimization without a convention hoopla.

In this respect, only the Liberal Party and the disaffected Nacionalista Party have the proper machinery to legitimize their choices.

The tasks are formidable. Ten years of political inactivity on the part of the opposition have dulled the political senses of the party faithful. But the tasks are not impossible; they are still within the realm of the possible.

Prominent opposition figures are no strangers to the rhetoric of leadership. Now they have to convince their own about their fitness to translate rhetoric into reality.

PHILIPPINES

DEFENSE MINISTER CLARIFIES PRESIDENTIAL ASPIRATIONS

HK151548 Manila BULLETIN TODAY in English 15 Feb 85 p 14

[By correspondent Antenor B. Parazo]

[Text] Tuguegarao, Cagayan--Defense Minister Juan Ponce Enrile declared here the other day that he would run for president only if President Marcos is not going to seek reelection or if the First Lady Imelda R. Marcos is not going to run for the same post.

The defense minister made this point clear before some 20,000 well-wishers representing seven provinces comprising Region 2. The well-wishers were by their respective governors and mayors who gathered at the Imelda grandstand here.

The well-wishers came here to extend advanced greetings to Enrile on the occasion of his birthday which was yesterday. St Valentine's Day.

The defense minister was welcomed at the airport here by Region 2 officials and provincial delegations bearing placards pledging support to Enrile's presidential bid.

Enrile had to make the clarification on his political plans in the wake of speculations that he is set to seek the highest post of the land.

At the Imelda grandstand, the defense chief was honored with a program and a civic parade participated in by students, civic organizations, public officials, and barangay councilmen representing the region's seven provinces.

After the parade, the defense chief was extolled for his services to the region and was accorded repeated standing ovations in what seemed to be a display of regional solidarity behind the defense chief's leadership.

The governors endorsed strongly the presidential bid of Enrile, saying that the region owes its economic progress and political stability largely to the defense chief and President Marcos.

These included Governors Justiniano Cortez of Cagayan, Faustino Dy of Isabela, Zosimo Paredes of Ifugao, Natalia Dumlao of Nueva Viscaya, Mario Lizardo of Batanes, Amado Almazon of Kalinga Apayao and E. Gatchalian of Quirino.

CSO: 4200/549

PHILIPPINES

COLUMNIST ON CALLS FOR REWRITING PHILIPPINE CONSTITUTION

HK180841 Manila BULLETIN TODAY in English 17 Feb 85 p 7

[Colume by Edgardo J. Angara: "Rewriting the Constitution"]

[Text] Labor Minister Blas Ople has called for the "rewriting of the Constitution in 1990" with a particular view to precluding "future presidents for life." He urged the adoption of a new constitution, not merely a revision of the present Constitution which was adopted under "martial law constraints," or of the 1935 Constitution, which he brands as "nakedly colonial."

Minister Ople is the second major KBL leader to call for constitutional changes. Early last year, Prime Minister Virata came out publicly for constitutional changes as a precondition to political stability and economic progress. As far as one could make out, the prime minister sees the need for a constitution that will provide for a government sensitive to the democratic instincts of the Filipino, but which will not sacrifice the efficiencies needed by a country aspiring to become a modern state and economy.

The problem now is to find a political order that is democratic for a people insistentlly pro-democratic (but who are growing by leaps and bounds in their numbers and in the diversity of their interests but which will avoid the pitfalls of paralysis and anarchy or totalitarianism.

If we inventoried our country's assets (e.g., natural resources and economic capabilities) and its liability (e.g., a growing population that is outstripping the country's capacity to provide a decent life for it, the almost certain absence of oil deposits), the final tally would be a profile of our country's economy and demography that will be unalterable for a long time to come.

The thing is not to fool ourselves that something new will suddenly appear to rescue us from our underdevelopment. The trick is to know what we have, accept it as all we've got, and to use it to provide for the needs of our people. The Philippines can't become a new Japan or another Singapore overnight but the paradigm's promise is exciting: a country with extremely limited natural resources and a growing population and yet able to achieve a dominant or respectable place in the world economy. The necessary

inference, of course, is that the only hope lies with the people--their untapped talents, their misused industry.

Whereas our economic resources will be static, the political forces in our midst will continue to grow in size, diversity and explosive power, tending (unless channeled by wise constitutional arrangements) to anarchy. How do we find a political arrangement that is sensitive to the "popular pulse" when the pulse consists of a multiplicity of beats with a bewildering variety of rhythms? How do we achieve that multiple sensitivity without inviting confusion and paralysis in government which, for a Third World country, is an indispensable partner of progress, to use a tired phrase.

The call for constitutional change has also come from the opposition. Their call ranges from the general (e.g., a return to the 1935 model) to the specific (e.g., Amendment 6).

So it seems there is a point of common agreement between the opposing trenches about one precondition of progress and stability.

What about the rest of the population? Is the feeling that constitutional changes are harbingers of, if not instrumental to, meaningful changes as prevalent now as it was before the 1971 Constitutional Convention? I do not know. What people seem to want to see are real changes in the proponents of change before they will believe in the rhetoric of change. Whereas in 1971, the call for constitutional change came as a popular groundswell, today, so far as I can make out, the panacea of constitutional change seems not to enjoy an equal popular credibility.

But that is not the point here now. The point is that constitutional change is seen, if not by the people at large, then by their political leaders on both sides as necessary. Perhaps, it is time to consider whether or not to indulge that desire.

CSO: 4200/549

PHILIPPINES

MALAYA ARTICLE DESCRIBES NPA GUERRILLA THEATER

Quezon City ANG PAHAYAGANG MALAYA SUNDAY Supplement in English 27 Jan 85 pp 8, 9

[Article by Pet G. Cleto]

[Text]

(The people's theater in the well-secluded and elusive "liberated areas" can only be read about in such "hot" documents and publications as Liberation, Ulos and Kamaso which are available in the "underground markets" of the city. There is also an anthology of revolutionary literature being sold in bookstores. The following data and analyses are either culled from or based on these materials.)

Theater in the guerrilla zones is generally propaganda work, used as an instrument to arouse, organize and strengthen the "revolutionaries." It is unlike the traditional drama form of established theater in that it consists of songs, poems, skits, speeches and dance, in that order, or else in various combinations of them. This type of theater does not use the traditional appurtenances of stage like lighting and a theater house. A cleared space and available light, gaslights, Coleman, or torches (pine torches or salong are special to the Montanosa region) are enough.

Because of the nature of propaganda work in these areas, which is very mobile, the venue is almost anywhere, either in the guerrilla camps or any relatively "stabilized" area. Of course, there are still areas within the guerrilla zones which are not as yet on the same politicized level as the others, but they are also possible venues.

When is guerrilla theater produced? The occasions for theater are varied, but they

fall under two main classifications: military campaigns and mass campaigns. The first is obviously to meet the propaganda needs of revolutionaries, of members of the New People's Army. In this case, the objective is to boost the morale of the army before and after a military operation. One instance in which this need was especially felt was in 1977, when Samar was heavily attacked by government forces. The revolutionary forces and the organized masses were hesitant to continue waging battles with the military during this period. The "taktikalhan" or "pensiba" was formulated: It is a form that takes up the need for tactical offensives. It is now credited for the revival of the morale of NPA soldiers.

The mass campaigns are also numerous and varied. They hit the military establishment and feudalism. In the case of the latter, the thrust is directed against the oppressive agrarian practices and conditions which the peasant masses are fighting, and which the revolutionary army is helping them lessen or eradicate. Hence, before the peasants launch a "konfrontasyon" (public dialogue with a mayor or a landowner) or any other mass action related to this issue, theater is performed. Songs, skits and poems tackling the issue are presented. The success of such cultural presentations can perhaps be assessed only by the organizers themselves, but there are other indications of it. For instance, in Quezon, the "terapahan" system is

tackled, which means one third of the harvest goes to the tenant while two thirds go to the landowner (the arrangement is said to have been reverted in favor of the tenant, who now receives the larger percentage).

Another type of mass campaign is the educational campaign. This campaign is done to benefit either the organized masses or the army. The basic idea of theater in this case is the popularization or the explication of the idea of national revolution. Theater here presents the said idea in simplified forms — songs and poems — which are actually part of the educational program for the day. Since the peasants cannot be expected to stay in a formal sitting position for long — they are not used to such sedentary habits — the theatre becomes a welcome break in the morning, during lunch, in the afternoon, and in the evening (when it is done in a longer form).

Theatre is also performed on special occasions, like the 1981 anti-normalization campaign, the March 29 anniversary of the New People's Army, and events honoring martyrs of the revolutionary struggle. A special category deals with personal experiences within the struggle. Taken up are themes of love, separation of revolutionary couples or families, etc. It would seem to show that, in this movement, the breadth of humanism is not at all severely limited.

Participants in these theater presentations are usually those engaged in the military and mass campaigns, and the peasants. Altogether, their number is quite impressive, in one reported campaign, there were as many as 400 peasants participating. These may be youth, women and children (from 9 to 12 years of age). Youths from different barrios are brought to one district, where their role in the campaign is explained,

the political significance of the campaign, and how they can help the campaign. It is said that almost all peasants can sing. They themselves choose the songs suitable to the occasion (the "new songs", of course), create new ones, or transform popular songs, to suit the theme.

As for the poems, the usual choices are those which they themselves have composed, but they also do translations of poems from other regions.

"Adaptation" is probably more accurate, because mostly, the changes are made to tell of a common experience in a particular region ("Lumuha Ka" by Amado Hernandez is reportedly the most popular choice among the traditional poems.)

The skits are prepared with speed and ease. They are usually in three phases: the act of repression or violence done by a mayor/barangay captain/etc. on the masses; what the army resolves to do about it (penalty on the criminal); and the reaction of the masses to the resolution of the army.

Sometimes, if time permits, a rehearsal of the planned skit takes place. Depending on the "stability" of the area, rehearsal time varies. It is said that in certain liberated areas in Cagayan, a theater group can rehearse to its heart's delight for one full week.

In areas where the political level of the audience is low, there is emphasis on the fact that the people can wield political power only if they are united and aware.

So far, the play or skit in the guerilla theatre is still simplified and technically insufficient, but a bond is forged by the common experience of violence by the powerful, or by social and political injustices. ◀

PHILIPPINES

REPORTAGE ON NPA ACTIVITIES NATIONWIDE

Town Hall Burned, Davao Leader Caught

HK210725 Quezon City Maharlika Broadcasting System in English 0700 GMT 21 Feb 85

[Text] Government troopers are tracking down some 50 heavily-armed NPA terrorists who burned down the town hall of Iguig, Cagayan, last night. Local police and militiamen guarding the building engaged the terrorists in a 30-minute fire-fight before they were able to set the town hall on fire. The government operatives backed out after they ran out of ammunition. Once they gained control of the building, the rebels set the town hall ablaze, using molotov-cocktail bombs. Reports said that two militiamen were wounded in the gunbattle. There were no casualties on the terrorists' side. The report said the rebels escaped from the scene by riding on a dump truck in the general direction of the Cagayan River.

Meanwhile a top commander of the NPA in Davao del Norte has been captured. Acting AFP [Armed Forces of the Philippines] Chief of Staff Lieutenant General Fidel Ramos identified the captured dissident leader as Salvador Roldan. Roldan has been tagged by the military as the commander district committee of the NPA in Davao del Norte. He was captured in Babag town in that province by a joint police and CHDF [civilian home defence forces] patrol.

Army Captures Camp

HK211040 Manila Far East Broadcasting Company in Tagalog 1000 GMT 21 Feb 85

[Text] Soldiers of the 26th Infantry Battalion captured a rebel camp in Campo Nueva Valencia, Bukidnon, recently. The encounter with the rebels, which lasted 30 minutes, resulted in the deaths of four rebels. Melba Kabikulan has added details:

[Begin recording] Four rebels were killed when the soldiers raided a camp of about 100 men in Campo Nuevo Valencia recently. This was reported to army chief Major Gen. Josephus Ramas by Major (Paulino Partillo), commander of the 26th Infantry Battalion. After an exchange of fire lasting half an hour, the soldiers captured the camp. (Partillo) said the rebels offered strong resistance to the soldiers but eventually retreated with their wounded. One M-70 rocket-launcher, two armalite rifles, two Garrand rifles, assorted ammunition, and subversive documents were confiscated. [end recording]

PHILIPPINES

DEPUTY DEFENSE MINISTER ON NONCOMBAT ROLE OF AFP

Manila BULLETIN TODAY in English 27-29 Jan 85

[27 Jan 85 p 7: First Part]

[Article by Deputy Minister of National Defense Jose M. Crisol: "The Non-combat Role of the Military"]

[Text]

President Marcos recently directed the defense establishment and the Armed Forces to utilize military engineers and troops on re-training to assist in the economic development of the country, particularly in areas where insurgency impedes the efforts of the government civilian agencies to respond adequately to the problem of underdevelopment.

In 1966 the President, in his first year in office, defined the dual role of the Armed Forces thus:

"Although it is proper that our Armed Forces must be prepared to perform their role in the military defense of the country, it is necessary that today, they must also participate in the more immediate and vital defense of the nation against poverty, ignorance, disease and injustice."

The military, therefore, has both combat and non-combat role in the national enterprise. In military terminology, the non-combat role of the military is embodied in what is now called military-civic action.

Civic action, in varying degrees, is employed in all the stages of insurgency. It is now generally accepted that there are four phases of communist insurgency. Phase One is Subversion. Phase Two is Small Band Operation. Phase Three is Insurrection. Phase Four is Civil War.

Their pervasive desire, if not demands, of the general populace for security and order during the periods of guerilla actions in Phase Two or Phase Three of Communist insurgency can often lead an incumbent regime into making a serious policy error once peace has been restored.

With this military victory and the providing of protection to the outlying areas (by utilizing civilian home defense forces and resettlement projects) as well as the introduction of modest socio-economic reforms, the government may conclude that its defeat of the insurgency has been decisive. Such a conclusion can prove to be disastrous.

In addition to appre-

ciating the consequences of the Maoist dictum of "revolutionary flow," an incumbent government cannot overlook the fact that the general populace's preoccupation with matters of security and order is explicitly a function only of the military actions of the opposing forces during intermediate phase operations. The regime must appreciate that the fundamental problem is the removal of socio-economic and political inequities and the grievances that initially contributed to the development of internal wars. Subsequent to successful campaigns against the guerilla in the field, a government must assume that a Phase One threat is still present. It must organize and employ its resources to eliminate this threat so that the victory over Communist insurgency will be meaningfully consolidated.

Of course, the Phase One threat is present in virtually all developing states as the prepara-

tory aspect of the cellular development of Communist insurgency warfare. Even though this and the situation above are obviously somewhat different, the prescriptive therapy in each case is quite similar. In this latter case these therapeutic actions can constitute a "preventive medicine" program; in both cases the goal is the elimination or at least the significant attenuation of the disruptive factors of instability that lead to broad insurgency.

One of two interconnected composite objectives related to the achievement of this goal — which essentially calls for substantial increases in popular allegiance to the incumbent regime, is the breaking down of provincial and communal barriers and the incorporation of all groups, all peoples, all sections of a country into a national whole controlled by a respected central government. The other is the instituting of broad-scale development and reform programs in the socio-economic and poli-

tical area of national life, and restructuring of the people's values.

While these objectives have high priority for the civil components of a national government, a most significant role can be played by the indigenous military establishment. In addition to providing comprehensive backup in depth to the civil police for the maintenance of internal order — which is essential for effective domestic reform and development operations and for the attraction of private foreign investments — the military can contribute directly to the implementation of these programs. In many cases it may be better prepared than civilian agencies in terms of total resources, materials, and personnel. This does not imply, however, that the armed forces should control the development programs. As was the case in the government's operations to meet and defeat intermediate phase insurgency, an effective response to Phase One requires extensive coordination of civil and

military activities at virtually all levels of national administration. It is absolutely essential that these two components of the government integrate their operations so that each complements the other while both remain conscious of the fact that they are waging a "war" that is fundamentally political in nature.

Much research has been undertaken in the area of the civil aspects of achieving reform and development. Recently, however, scholars specializing in the problems of underdevelopment have evidenced an increasing appreciation of indigenous military establishments to the orderly process of political and economic modernization.

The military contribution to nation-building is generally referred to in Western military literature as "military-civic action." It can range upward from basic individual acts of courtesy to disaster relief to local assistance programs, up to major engineering projects.

[28 Jan 85 p 7: Second Part]

[Text]

The military-civic action concept was introduced in the 1950's during the anti-Huk campaign by the civil affairs office of the defense department. It was part of the barrier fortification operations and of the prescribed resettlement program designed to promote the government's objectives of expanding its control over the populace in the face of Phase Two or Phase Three insurgency. The nature and number of military-supported development and reform

projects of such times, however, are limited by the high demands for personnel and material resources created by the government's active combat campaigns against the guerrillas. It is also quite conceivable that a particular state may be faced with multiple-phase insurgency. In other words, certain areas may be in Phase One while others may be experiencing intermediate phase communist operations. In such cases it will obviously be inappropriate

ate and even dangerous to devote extensive military resources to nation-building projects. In these situations, however, where the Phase One threat is exclusive or demonstrably dominant, such limitations will be substantially reduced if not altogether eliminated.

An incumbent regime — whether it has already experienced guerilla insurgency warfare or whether it is responding to anticipated domestic violence that it expects as a natural by-product of the development process — is normally compelled to maintain sizable armed forces to meet internal requirements. Some of these states may also be committed to defense pacts which require them to have large military establishments. Even with substantial foreign assistance for the military, a developing state can ill-afford to tie up its technically trained personnel and material resources in such a manner, when it is faced with pressing economic problems. A solution to this dilemma therefore appears to be the utilization of socio-economic and political development as part of the government's overall anti-insurgency effort.

It is necessary to note at the very outset that the utilization of this resource for socio-economic development may bring about liabilities that far exceed derived assets and benefits. For example, such military-civic action operations, if not properly designed and controlled, can possibly promote the establishment of military oligarchies. They may even stifle the creation and growth of civilian busi-

ness enterprise essential to the development of viable economic and political institutions. These and other liabilities, have to be taken into consideration in the planning of military civic action programs, projects and activities. Once a civic action project has become viable, the military should pull out and let the civilians carry on.

The following prescriptions are in essence a description of ideal rather than actual or automatic situations. With further research, it may prove possible to modify these prescriptions, so that they will offer a high probability of success with none of the undesirable side effects.

THE MILITARY AS RESOURCE FOR NATIONAL DEVELOPMENT

Many military leaders in the underdeveloped states were trained in the West or under a system of Western military tutelage in their own states. Consequently, there is a marked affinity among segments of this officer corps for the West, or at least for their Western comrades-in-arms. These officers and the men they command are usually anti-communist in basic political orientation. More important, the military establishment in most developing nations (with only a few exceptions among high ranking officers in some Latin American states) tends to emphasize a rational outlook on life and to promote responsible change and national development.

The reason is that these armies have been trained and equipped by the great industrial powers of the West. These indigenous milit-

ary structure represent, historically speaking, the peculiar product of the most highly industrialized civilizations yet developed. As a consequence these establishments are generally imbued with a spirit that is tied to rapid technological development. In a sense they often represent islands of modernity in the troubled seas of pre-industrial societies striving for modernity.

Because of its progressive attitude toward the pursuit of modernity, its technical and professional expertise and related equipment, its organization and its prestige, the military establishment, of an emerging state seems to possess a great potential that can be tapped by a government for constructive nation-building endeavors.

PUBLIC WORKS AND INFRASTRUCTURE CONSTRUCTION PROGRAMS

Community Construction Programs — These programs can normally be carried out on a part-time basis by garrison troops stationed at outposts throughout the countryside during periods of peace.

These projects, if they are to impart proper basic values to the barrio folk, must be joint endeavors between the troops and the local inhabitants. The concept of selfhelp should be firmly but gently inculcated into the minds of the people in the barangays. Where possible, projects can be selected by local barangay leaders in conjunction with, or assisted by, officers from the appropriate supporting garrisons. Perhaps in some cases higher military headquarters can create

mobile support advisory teams to assist villagers and the local military commanders in plotting a development program. Every effort must be made to give the barangays and their leaders a sense of significant involvement in these planning and construc-

tion operations. Thus a sense of local civic pride can emerge, and local leaders can be "educated" concurrently with the construction of the material facilities to sustain the development processes of the community.

[29 Jan 85 pp 5, 9: "Conclusion--"Urban Civic Action Plans"]

[Text]

There are several other pertinent considerations. To insure a quick and meaningful impact upon the people, that is, to demonstrate quickly and positively the regime's determination to aid the villagers — initial projects for military-civic action should have short completion times. Results should be tangible, and end-product should lend themselves to easy publicity. This may well inspire other military units to emulate actions of those comrades engaged in such pursuits, and the local inhabitants will readily be able to associate derived benefits with the armed forces and the central government which these forces represent.

To be most effective, the urban civic action programs will have to be directed toward those sectors inhabited by the "floating masses" of unemployed who are recent emigrants from the agrarian countryside. Related projects can range from the simple construction of basic dwellings for destitute families to more ambitious urban cleanup campaigns, road construction programs, urban renewal and squatter resettlement.

Infrastructure Construction Programs — These large scale projects will have to be carried out by specialized military units, such as

engineer construction battalions (ECB's), possessing high-level professional and technical skills and substantial amounts of heavy equipment.

SOCIO-ECONOMIC SERVICES PROGRAMS

Education — The focus of the acculturative process is the acquisition of literacy and technical capabilities. These skills, when combined with the serviceman's new understanding and appreciation of the value of modern communications and transportation, of sanitation and health, and, above all, of modern concepts of organization and planning, contribute toward making this individual a significant asset to a developing state.

It is quite evident that the armed forces in an emerging state through their internal educational programs, provide their nation not only with an indigenous military competence to handle modern conventional weapons but also with a reservoir of acculturated, technically trained personnel who have a reasonably good potential for becoming politically responsive and responsible citizens. This, however, is only part of their contribution to a national program of education.

These trained personnel can also serve as teachers in the remote settlements which don't attract civilian educators. The military garrison units can not only assist the barrio people in the construction of their schools but also possibly staff these elementary institutions once they are completed. Thus they can supply the barangay with educational service until civilian education agencies assume this task. Such programs in Burma and Turkey have been marked with considerable success. The Philippine Army has been conducting for several years now an Adult Literacy Program in Mindanao quite successfully.

On orders of President Marcos the Armed Forces, under its Home Defense Program, is engaged in an extensive training program to equip trainees, draftees, former rebels and retiring military, with skills that would enable them to pursue a constructive and fruitful civilian life.

Agriculture — The military can support agricultural programs through construction projects to prevent floods and to permit timely irrigation of farm plots. In addition to this, it can employ its garrison troops for land-clearing projects and for the preliminary agri-

cultural development of virgin lands. Israel's novel system of "constructive idealism," for example, as applied to military support for national agriculture development requires that most two-year conscripts be given basic military training coupled with extensive on-the-job agricultural training in the frontier regions. Service aircraft can be employed in crop-dusting operations. With the use of military's communications net and its meteorological services, pertinent weather information can be transmitted throughout the countryside. When harvesting crash programs are needed because of forecasts of seriously adverse weather conditions, the military garrison units should assist the farmers.

Public Health — In this area, the military can complement projects and services of civilian government agencies to promote public health and sanitation programs by conducting medical and dental civic action. Medical and dental teams from the armed forces are in great demand in rural areas. The Philippine Navy "floating clinics" are most practical in servicing island barrios and municipalities. The Philippine Air Force fly mercy missions to rural areas where medical assistance or facilities are unavailable.

If insurgency does break out after civic action programs have been initiated — perhaps in response to their initial successes — the goodwill previously generated among the barrio people will make the guerrillas' tasks of

securing intelligence and of finding safety among the populace very difficult. Also, the construction of infrastructure facilities will lighten the government's job of bringing superior weapons to bear directly upon the enemy's field forces. Many military authorities contend that the very absence of such facilities in Laos contributed greatly to the inability of the Laotian Army to defeat the Pathet Lao guerilla forces.

As the case with most apparently appealing solutions to a complex problem, there are many problems and threats to an orderly political development for an emerging state pursuing rapid socio-economic progress. The inherent instability naturally creates among the citizenry psychological conditions conducive to giving political power to the military, which is often the only organization having effective force organization and discipline. It is not wise therefore, for a civil government voluntarily to transfer extensive economic and political responsibilities to the military under such conditions. Such action will ultimately cause a diminution of civil power and the de facto assumption of principal and political power by the armed forces.

If the traditions of civil primacy are not strong, if few democratic values are firmly established, and if national life could be marked with some long-term instability incident to the development processes, then control by the military would

also become a long-term phenomenon. History is full of cases where military regimes, however altruistically motivated they may have been, have ended up (after an extended period of rule) stifling the give-and-take political processes essential to an efficient and sound civil government. It is true that similar situations can develop under essentially civilian control, but the assumption of such comprehensive powers by the military is especially loaded with long-term trouble.

Even if political power is not a problem, the construction and socio-economic service project undertaken by the military can adversely affect both the capital-management and the organized labor sectors of a national economy. This could easily discourage free enterprise projects that stimulate the economy. The Argentine experience is instructive here: In 1962, the Army owned the largest national industrial empire. Or, organized labor may view troop labor as unfair competition in a market characterized by limited unskilled and semi-skilled job opportunities.

Reversing the focus, extensive military-civic action operations other than engineer construction battalions — and even possibly these units in certain circumstances, may cause armed forces personnel to lose their proficiencies for combat actions, any long-term commitments of regular units to project requiring troop labor activities could lead to a general and fundamental deterioration of troop morale.

PHILIPPINES

MP CHOSEN AS NATIONAL UNIFICATION COMMITTEE HEAD

HK151556 Manila PHILIPPINES DAILY EXPRESS in English 15 Feb 85 pp 1, 8

[Text] MP Cecilia Munoz Palma (UNIDO, Quezon City) was unanimously chosen yesterday as chairman of the National Unification Committee earlier created by the United Nationalist Democratic Organization.

Palma took over from UNIDO President Salvador H. Laurel, who was mandated by the 59 members of the Batasan coalesced opposition to form the NUC last May 29.

Also unanimously selected by the multi-party committee was former Senator Francisco "Soc" Rodrigo as NUC vice-chairman.

Palma and Rodrigo now head the committee which will represent the major political opposition parties, national and regional, which fielded candidates in the May 14 Batasan elections.

The election of the NUC officials was held at the Batasan office of Minority Floorleader Jose B. Laurel, Jr.

The UNIDO president, who previously offered the NUC top position to Corazon C. Aquino and former Sen Lorenzo M. Tanada of the three-member Convenor Group said "Justice Palma and Rodrigo bring to their positions not only their wealth of experience as two of the country's most respected jurists and politicians, but also their impartiality, probity and independence of mind. Justice Palma does not belong to any political party and she and Rodrigo are widely regarded for their judiciousness and fairness."

MP Neptali Gonzalez, of San Juan-Mandalugyong, who represents the Liberal Party in the NUC hailed the Palma and Rodrigo nomination and acceptance as "a great step forward in the opposition's quest for unification, for Palma cannot be criticized on the issue of impartiality, having no presidential ambitions herself."

CSO: 4200/549

PHILIPPINES

CONTROL OF POLICE MAY SHIFT TO LOCAL GOVERNMENTS

HK191224 Quezon City Maharlika Broadcasting System in English 1100 GMT 19 Feb 85

[Text] The ruling KBL [Kilusang Bagong Lipunan] has approved in principle the transfer of operations and control of police forces and the civilian Home Defense Forces to local government officials. The move is aimed at strengthening their hands in the anti-insurgency program. That report from Bert Asuge:

[Begin recording] The KBL leaders agreed with the president to make this transfer of authority apply to all towns and cities regardless of their security conditions. However, the president (?would make) his judgement whether a particular mayor or governor is qualified or capable to conduct a campaign against the insurgents and thus exercise his judgement over the police forces in his jurisdiction. In approving this policy, the president stressed that the government and the ruling party must maintain the constitutional requirement for an integrated national police organization. So the local police [words indistinct] must remain under the administrative control of the office of the president through the PC-INP [Philippine Constabulary-Integrated National Police], he added. The chief executive explained that in making this move, the principal objective was not to (?fine) existing institutions but to win the insurgency war and to win the support and involvement of the civilian population. The president saw in asked the committee to make studies on whether local officials should be given the authority to suspend, dismiss, or order the transfer of police forces and whether all policemen should be reassigned to their hometowns and the question of funding [words indistinct] for a more effective force.

The president appointed Deputy Prime Minister Jose Rono as chairman and Justice Minister Estelito Yendoza, Defense Minister Juan Ponce Enrile, and Member of Parliament Orlando Dulay of Quirino Province as members. They will submit to the president a draft of the executive order by Monday.
[End recording]

CS0: 4200/552

PHILIPPINES

COLUMNIST ANALYZES PROPOSALS TO END INSURGENCY

Manila BULLETIN TODAY in English 28 Jan 85 p 6

[Commentary by Apolonio Batalla: "Two Proposals"]

[Text]

LATELY, two suggestions on how to end insurgency were aired. One was to legalize the communist party, the other to grant general amnesty.

In regard to these proposals, two things should be noted: a) they were made by people who were neither friendly to nor identified with the communist cause, and b) they are not radical solutions.

The value of the proposal to legalize the communist party lies not in the possibility that a legal communist party would constitute a threat to democracy but in the fact that it would strengthen democracy.

That argument takes many things into account — the history of this country, its customs and traditions, its degree of enlightenment, and recent experience.

When all these factors are taken into account, the likely conclusion would be that if the communist party were legalized it would be a small party, like those of Japan and Western Europe, but at the same time the individual liberties would be enhanced.

The recent experience with martial law suggested that Filipinos are intolerant of the curtailment of personal freedom, no matter what form of government curtails freedom.

Communism, as it is thought to be by Filipinos, curtails personal freedom.

It is rightly believed to stand for state ownership of the means of production, and as recent developments here showed, the public is against the expanding state ownership of enterprises that can well be operated by private firms.

Communism is believed to be military and police control of the population and experience has shown that the Filipinos are against that.

How can communism possibly flourish in the land?

But a legalized communist party would attack government abuses, as the present underground party does, and that would help curb abuse and would, additionally, give free rein to the freedom of expression.

In connection with that freedom, it should be noted that a legalized communist party, like any other party, would be subject to the law prohibiting inciting to sedition or rebellion.

In regard to general amnesty, it would not be a radical solution, because it was tried before and it succeeded in bringing peace. It has been used for the purpose in a number of developing countries.

General amnesty should never be taught of as a desperate effort

to attain peace. Present conditions do not describe desperation.

General amnesty connotes compassion and the will to forget a painful past. That is why in law amnesty has the effect of wiping out the offense, whereas pardon simply means the release from confinement — it does not wipe out the offense.

A person who has been granted an amnesty is less likely to commit the same offense than another who has been pardoned because the beneficiary of amnesty has a deeper sense of gratitude to the state to which he belongs.

The policymakers should give some thought to the proposition whether in the light of present-day circumstances policy should not be more compassionate.

This is an approach that has not been totally neglected but which nonetheless should be emphasized.

The proposals for the legalization of the communist party and general amnesty have been opposed. Let not the opposition to such ideas be minimized.

The issues, being highly relevant to the times, should be thoroughly discussed, as all significant issues ought to be. The great strength lies in providing the freedom for the interplay of ideas in public.

PHILIPPINES

TOLENTINO ON SABAH REFUGEE PROBLEM

Manila BULLETIN TODAY in English 29 Jan 85 p 6

[Article by Olaf S. Giron]

[Text]

If Malaysia wants to expel Filipinos from Sabah, the Philippine government is ready to accept them, Foreign Affairs Minister Arturo M. Tolentino said yesterday.

The Sabah government has been asking federal authorities in Kuala Lumpur to check the entry of Filipino Muslim refugees and illegal entrants whom it blamed for the mounting incidence of crimes.

The refugees, fleeing the fighting in Mindanao between government troops and rebels since the early '70s, reportedly constitute 10 percent of the estimated one million people in the oil-rich state.

The exodus of Filipinos into the neighboring country has remained uncontrolled through the years because of the lack of a border patrol arrangement between Sabah and the Philippines.

Tolentino said the Philippines has been trying to work out a border crossing agreement with Malaysia that calls for a joint patrol, but there has not been any progress in negotiations.

Filipinos and Sabahans have been going back and forth to each other's country in boats because of the short travelling distance and the absence of a border-crossing deterrent.

The ruling Berjaya Party in Sabah has appealed to the federal government to step in and curb the entry of Filipino refugees. Refugee leaders claim "new arrivals" are not genuine refugees but "undesirable element" taking advantage of the situation to smuggle in drugs and engage in other illegal activities.

Sabah was reportedly crime-free three years ago. Its police has reported that the crime rate has increased by 100 percent in the last two years.

PHILIPPINES

REPORTAGE ON AQUINO MURDER TRIAL DEVELOPMENTS

Indictees' 'Prior Information' Cited

HK160031 Manila Far East Broadcasting Company in English 2300 GMT 15 Feb 85

[Text] The Tanodbayan [ombudsman] has cited special covert arrangements in the Aquino assassination allegedly known to all the 26 accused in the Aquino-Galman case. This was contained in the bill of particulars presented by the Tanodbayan at the pretrial before the Sandiganbayan [antigraft court]. The bill of particulars cited in detail the participation of each of the accused in the killing of Aquino and Galman. The Tanodbayan alleged that all the 26 accused had prior information about the incident.

Pretrial Details Evolve

HK200646 Hong Kong AFP in English 0629 GMT 20 Feb 85

[By Roberto Coloma]

[Text] Manila, 20 Feb (AFP)--The Benigno Aquino murder trial scheduled to start today hit another snag when state prosecutors sought a final postponement in order to prepare witnesses and mark hundreds of exhibits to be presented.

"The volume of exhibits involved in this case is really tremendous," prosecutor Ernesto Bernabe told the court, which swiftly granted his request and set the first of the daily hearings for Friday.

Eleven medico-legal and crime laboratory experts, including seven doctors, were the first witnesses lined up to testify on the 21 August 1983 shooting of the opposition leader and his purported assassin Rolando Galman.

Armed Forces chief on leave General Fabian Ver, 24 other military officers and men and a businessman were charged with varying degrees of involvement in two counts of murder in the Manila airport incident.

Mr Bernabe also said witnesses to be presented by his panel had yet to review their testimonies before the Agrava probe board, whose findings released last October led to the charges against the accused.

The prosecution and defense agreed today that witnesses who appeared before the board would not be called on to repeat their testimonies and would immediately be subjected to cross-examination to shorten the trial period.

General Ver's lawyer, Antonio Coronel, told AGENCE FRANCE-PRESSE that with such an agreement, the trial could last for only three months instead of up to a year, as most legal experts had expected given the number of the accused and the normal pace of murder trials here.

Of the 81 witnesses listed so far by the prosecution, only 20 did not appear before the probe board. The total includes U.S. and Japanese journalists travelling with Mr Aquino on his fatal homecoming from self-exile in the United States.

The Agrave Board turned over to prosecutors 480 exhibits, including over 20,000 pages of hearing transcripts in its 11-month inquiry.

Justice Manuel Pamaran, head of the three-judge trial court, ordered the exhibits worked tomorrow in the presence of the prosecution and defense.

The trial was to start today with the appearance of Dr Bienvenido Munoz, medico-legal officer of the National Bureau of Investigation, after the conclusion of a "pre-trial conference" intended to streamline proceedings.

The prosecution and defense argued strongly before the conference ended when General Ver's lawyer asked the state prosecutors to pledge that they would not add anything to their earlier list of specific liable acts of each of the accused.

The prosecutors refused, and the issue was submitted to the court. The prosecution also reacted strongly when the defense asked that the witnesses be limited to those who appeared before the probe board.

Mr Bernabe said this would limit the authority of the state to prosecute the case, and Justice Pamaran backed him by saying that the new rules of court allowed additional witnesses to be called.

The witnesses include the five members and five lawyers of the probe board, Filipino co-passengers of Mr Aquino on the China Airlines plane he took home, and four commanding generals of the soldiers accused in the case.

The commanders were due to testify first but their appearances were put off by the prosecutors for an unspecified date.

General Ver, Manila Police Chief Major General Prospero Olivas and six other soldiers were named as accessories for allegedly giving false testimony to the probe board. Millionaire businessman Hermilo Gosulco was named an accomplice.

Seventeen military men led by Brigadier General Luther Custodio, chief of airport security at the time of the Aquino assassination, were named as principals or direct conspirators.

Lawyer Says Client Saw Killing

HK131235 Quezon City ANG PAHAYAGANG MALAYA in English 11 Feb 85 pp 1, 2

[Article by Larry Sipin]

[Text] Rebecca Quijano, the "crying lady," actually saw the killing of former Senator Benigno Aquino, Jr. Lawyer Raul Gonzales, family lawyer of the Quijanos, told MALAYA that Rebecca--dubbed as the "crying lady" in the 21 August 1983 airport drama because of her hysterical behavior after the shooting--is positive that she saw a soldier gun down the returning opposition leader. Gonzales said in an interview that he has a copy of an affidavit sworn to by Quijano divulging what she saw at the airport at noon of 21 August 1983 that drove her to tears. Quijano's "confession" is contained in a three-page typewritten document. But other than saying that a soldier shot the former Tarlac solon, Gonzales would not disclose the details of his client's sworn statement.

In a letter dated 5 February, the tanodbayan special prosecution panel in the Aquino-Galman double murder case asked Gonzales to reveal the contents of Quijano's statement. The letter, signed by Deputy Tanodbayan Manuel Herrera, also asked if Gonzales has access to Quijano's statement, and if so furnish the tanodbayan with a copy of the statement for evaluation by the prosecution panel. The tanodbayan prosecution panel has lined up Quijano as one of the witnesses it intends to call to support the theory that a military conspiracy was behind the Aquino assassination.

Gonzales said, however, that he cannot give any information to the tanodbayan without the consent of Quijano. "I will discuss the matter with her when she comes back from the province," Gonzales said. Quijano was released from the custody of the National Bureau of Investigation, where she had been kept since her arrest for alleged estafa carnaping last December. She is believed to be in her hometown in Tabaco, Albay. Quijano is scheduled to testify before the sandiganbayan on 25 February. She is one of 81 witnesses summoned through subpoenas by the sandiganbayan to take the witness stand between the period 20 February to 1 March 1985.

Gonzales said Quijano might refuse to heed the sandiganbayan's summons for fear of her life. Quijano has to be really sure that she will be safe before she testifies, Gonzales said. He disclosed that his client is being shadowed by "some persons," presumably from the military. The most adequate protection for Quijano would be to allow her to leave the country where she can make public her statement without fear of repercussions, Gonzales said. "Another adequate security measure would be to put Quijano under the custody of the sandiganbayan but I do not know how it can be done," Gonzales said.

Gonzales described Quijano as a "hot item" in the eyes of the military. A statement from her before the court that a soldier shot the former senator would further shatter the military version of the assassination that Rolando Galman was Aquino's killer. Now that the Aquino-Galman case is being tried, the accused are far more desperate than they were during the fact-finding board investigations, Gonzales pointed out. "I really cannot insist on her to testify, but I am trying to convince her that her best protection would be to reveal what she saw during the airport shooting," Gonzales said.

PHILIPPINES

MANILA COOPERATION AGREEMENTS WITH DENMARK, AUSTRALIA

HK200510 Quezon City Maharlika Broadcasting System in English 0400 GMT 20 Feb 85

[Text] The Philippines and Denmark today signed a \$10.62 million loan agreement. The agreement was signed in Manila by Prime Minister Cesar Virata and Ben Christensen, charge d'affaires of the Danish Embassy. The loan [words indistinct] equivalent to 200 million pesos is intended to finance the Philippines' imports of capital goods and services.

Also today, Australia and the Philippines signed a memorandum of understanding for the purchase of four motor vehicles and computer equipment for the National Council of Integrated Area Development. The full story from Johnny Collugo of the Australian Embassy in Manila:

[Begin recording] The memorandum of understanding was signed by Australian Ambassador Roy Fernandez and Minister for Foreign Affairs Arturo Tolentino. Under the memorandum, Australia will contribute 90,000 Australian dollars, or 1.22 million pesos, with the Philippine Government putting up a counterpart amount. Ambassador Fernandez said that Australia and the national council had a long history of cooperation in integrated area development projects in the Philippines. He cited as evidence the Philippine-Australian development assistance project in Zamboanga del Sur and the northern Samar integrated rural development project. Ambassador Fernandez said that the provision of additional motor vehicles will help to increase the mobility of the national council's staff and facilitate easier [words indistinct] integrated area development projects. [End recording]

CS0: 6200/552

POLITICS

MP PROPOSES BATAAN EXPORT ZONE STRIKE BAN

Quezon City ANG PAHAYAGANG MALAYA in English 27 Jan 85 pp 1, 2

[Article by Greg O. Refracion]

[Text] There may come a time when factory workers at the huge industrial complex Bataan Export Processing Zone can no longer air their grievances against their employer through strikes, or they would face dismissal.

This would be the case if a proposal of Member of Parliament Renato L. Cayetano, acting administrator of the Export Processing Zone Authority (EPZA), will be approved and adopted.

Cayetano made the proposal the other day before members of the Export Processing Zone Chamber of Exporters and Manufacturers (EPZCEM) during their 10th annual meeting and convention held at Mandarin Hotel.

Under Cayetano's proposal, any officer or member of a union who participates in any strike or any concerted activity that resulted in slow-down or work stoppage shall be dismissed and shall forfeit the right to seek employment in enterprises operating inside the export processing zones.

The proposal also states that any labor union that caused its members to strike shall be denied the right to represent workers in the zone.

Cayetano's other proposals include

- The rights of zone workers must be protected.
- Zone workers must be treated equally with those located in Metro Manila, such that they must be granted more benefits.
- A no-nonsense enforcement, of wage, labor standard and welfare laws in the zones to the end that no employer will be allowed to operate a sweat shop.
- There should be no exemption from coverage of zone workers of statutory increase in minimum wage and allowances.
- Apprenticeship in any form shall not be allowed in the zones.
- Any company that locks out will be fined.

PHILIPPINES

VIRATA RULES OUT IMPORT RELAXATIONS

Manila BULLETIN TODAY in English 28 Jan 85 p 21

[Text]

Prime Minister Cesar E.A. Virata ruled out a complete liberalization policy on importation as he warned that the economy cannot afford the same situation that prevailed in the 1960s when imports came in freely.

Virata revealed this before he left for Paris Friday night to attend the 1985 meeting of the consultative group of creditor-countries of the Philippines.

He said the country can no longer afford excesses of imports in view of a growing population, adding that imports have to be limited to the most basic items.

According to him, what has been agreed upon with the International Monetary Fund (IMF) concerning the recent standby credit facility was for import restrictions to be lifted except on those programs being undertaken by the Board of Investments (BOI). Thus, he said, import restrictions on industries being rationalized by BOI would re-

main.

The BOI has set up an import clearance authority to screen requests of industries. Banks have also been advised to seek for the BOI import clearance prior to approval of importation requests and opening letters of credits.

On oil which accounts for the single bulk of the country's imports, the government has budgeted an oil bill of \$1.2 billion to \$1.3 billion for 1985 with quarterly purchases to be monitored by the Central Bank.

The new economic program is targetting an import bill of \$5.7 billion for 1985 or slightly lower than the export target of \$5.8 billion. The government expects to post a trade surplus this year, the first since 1973.

Prime Minister Cesar Virata said the stabilization measures adopted by the government are now showing results.

Virata, also finance minister, cited en-

couraging statistics showing improved export performance and balance of payments position, as he made projections on what to expect within the next few years:

— Export receipts reached \$5.4 billion and grew by 7.4 percent last year.

— Imports decreased by 20 percent to six billion dollars compared to those in 1983.

— Trade deficit declined dramatically by 75.3 percent, from \$2.5 billion in 1983 to just \$613 million by the end of 1984.

— Balance of payments deficit registered only \$34 million during the first nine months of 1984, compared to \$1.046 billion during the period last year.

Virata also made projections that the inflation rate, which stood at the level of 50 percent last December, would be reduced to 40 percent by the end of this month.

PHILIPPINES

ANALYSIS OF LOAN DISTRIBUTION IN ECONOMY

RECEIVED Manila BUSINESS DAY in English 15 Feb 85 p 4

[Article by Rigoberto D. Tiglado]

[Text] The bulk of the \$925 million in new loans to be extended by the country's foreign bank creditors will be used to settle outstanding interest arrears and punctually pay off interest payments falling due in the period 1985-1986, the documents on the terms for the credit facility made available to BUSINESS DAY indicate.

BUSINESS DAY sources had earlier said that the Central Bank estimates that at least \$780 million of the new money from foreign commercial banks would have to be used for interest payments. The same sources pointed out the other day that the IB's "Economic Memorandum" dated November 1984 itself stated on page 28 that "of the arrears, \$730 million will be financed by the new money." They explained that the "new money" referred here does not include the \$1.1 billion in new loans from foreign governments since disbursements of the [word indistinct] these funds are tied up to specific imports from the creditor countries.

This leaves only \$195 million from the new commercial loans which the president recently stated will be made available to the private sector to finance importation of raw materials and equipment.

Banking makers here stress that any new commercial loans the country will be receiving until it rebuilds its international credit worthiness will actually not be fresh loans in the sense that they can be utilized for investment purposes or for financing an increased level of imports. "That new loan facility is not really a bilateral syndication. The banks set it up to ensure that the country will not default on its obligations," one foreign banker noted.

The impact of the new money facility as well as the \$1-billion revolving trade facility, they explained, would be mainly to make the creditor banks' exposures in the country appear in their books as current or earning loans. Monetary officials had earlier implied that the new money facility only refinances the country's obligations. Prime Minister Cesar Virata himself, about 2 months ago, explained that the new money the advisory committee agreed to extend is another kind of the \$1.65 billion the government had requested because the banks agreed to a larger amount of debts to be rescheduled.

CB economic projections indicate why the new money is necessary for the country's economic adjustment program. For 1985, imports are estimated to amount to \$5.69 billion while foreign exchange remittances for services will total \$1.51 billion. Principal repayments on foreign debt not included in the re-scheduling agreement amounts to \$1.36 billion while interest payments would reach \$2.85 billion. The country's total foreign exchange requirements for this year will, therefore, amount to \$11.57 billion. With foreign exchange earnings from exports, services, direct investments and loans amounting to only \$9.93 billion, the country will incur a foreign exchange shortfall of \$1.64 billion.

The government intends to cover that shortfall through the \$925 million in new commercial loans and the \$1.1 billion in official credits. While the figures indicate that this total of \$2.0 billion from foreign banks will be more than the expected \$1.64-billion foreign exchange shortfall, it has been pointed out that the problem would be whether or not the foreign governments would disburse the \$1.1 billion within the year. So far, no foreign government or multilateral institution has yet firmly committed to extend official credits since these commitments will be subject to still unscheduled bilateral negotiations.

To ensure that the \$925 million in new money is not used for increased importations, and that the country would rely on its own foreign exchange earnings from its exports and services, the foreign banks have agreed to extend the new money only under very tight conditions.

According to the terms of the credit facility, as contained in the so-called term sheet distributed to the country's 483 creditor banks and which is now being translated into legal documents, out of the facility's first tranche amounting to \$300 million of CB is bound to utilize \$250 million for settling all of the country's interest arrears. More precisely, paragraph D of the term sheet's section on "covenants" reads as follows: "(The new money facility requires a) covenant by the borrower (I) to use the proceeds of the first drawdown to the extent necessary, to pay interest arrears owing to lenders and (II) not to draw at the first drawdown more than \$50 million of the amount of required to pay such interest arrears."

In what clearly is a built-in mechanism to ensure that the new money is utilized to pay for interest arrears, the term sheet stipulates that one of the conditions for the first drawdown is that "all interest arrears owed to lenders by public sector obligors shall have been paid or shall be paid concurrently with the first drawdown."

The next three tranches of the credit facility will consist of \$100 million scheduled to be available in May or after the third drawdown on the standby facility with the International Monetary Fund (IMF); \$175 million that can be disbursed after the fourth IMF drawdown expected in September; and \$350 million scheduled after the fifth IMF drawdown to occur approximately in November.

The terms for the facility do not categorically stipulate that the bulk of the proceeds of the next three tranches must be utilized, as in the case of the first drawdown, for paying interest payments. However, the terms also ensure that the country punctually pays off its interest payments before it can draw on the three tranches. A foreign banker explained that the net effect of the conditions, is that the CB would have to utilize its scarce foreign exchange to pay off the interest obligations, with the resulting drop in the CB's foreign exchange to be replaced by drawdowns on the facility's tranches.

According to the term sheet's explanation of this mechanism, "conditions to availability dates for the second, third, and fourth drawdowns (are as follows): 1) One of the conditions to availability dates for the second, third, and fourth drawdowns is: No fault. Compliance with new money facility covenants. Interest on public sector external debt kept on a current basis."

Because of the country's huge interest payments--which Virata recently estimated to amount to \$2.6 billion this year, or 45 percent of expected exports--monetary officials have had a policy of delaying interest payments for an average of 75 days. The policy in effect delays a surge in the country's foreign exchange requirements. With the signing of the new money facility, the country would be junking this policy, since the proceeds of the new money would, at least, under the new money scheme, enable it to keep current on its interest payments.

Foreign bankers also reported that no change has been made with regard to the 26 February schedule for the signing of the new money and revolving trade facility. They said, however, that the advisory committee is still trying to convince a few small foreign banks to reconsider their earlier stands and agree to go along with the two facilities.

USO: 4200/561

PHILIPPINES

CENTRAL BANK EXPECTS TO MEET IMF PERFORMANCE TARGET

HK180827 Manila BULLETIN TODAY in English 16 Feb 85 p 15

[Text] The Central Bank [CB] expects to meet the reduced level of arrears of \$760 million by March 31 to comply with the requirements of the first review on the country's economic performance under the stand-by credit program of the International Monetary Fund.

The targeted level of external payment arrears from the amount of \$2.4 billion at the end of the 1984 has been covered by the peso deposit scheme required of borrowers from the public sector and the private sector.

Sources said that practically all the public corporate sector borrowers have complied with the peso deposit requirements for their repayment arrears both on interest and principal as of October 15, 1984.

Similarly, private sector borrowers have complied with the same scheme and have deposited with the CB the required peso deposit equivalent of their arrearages.

Private sector borrowers with outstanding arrearages on suppliers' credits as of October 15, 1984 have been issued dollar-denominated CB bills as a form of settlement of their obligations.

The CB bills have a term of one year and were issued at an interest rate slightly higher than the six-month London interbank offered rate.

The rest of the external payment arrears are to be paid in foreign exchange bought from the banking system. The first installment of the \$925 million new money from foreign bank creditors is also expected to pay interest rates coming due.

Drawing from the new money, amounting to \$300 million for the first installment, is expected to be made sometime next month after the loan documents are signed on February 26.

The sources said that the first installment from the new money is drawable immediately after the signing of the documents and need not wait for the results of the first review by the IMF of the standby program.

CSO: 4200/549

PHILIPPINES

RATIO OF BUSINESS TAXES TO GNP TO HIT 5 PERCENT

Manila BULLETIN TODAY in English 28 Jan 85 p 24

[Text]

The percentage ratio of business taxes to be collected this year definitely improve vis-a-vis the country's gross national product (GNP) according to a ranking revenue official.

Mrs. Felicidad Viray, assistant chief of the national assessment service of the Bureau of Internal Revenue (BIR) said the percentage ratio of business taxes to GNP is estimated to reach five percent.

On the other hand, the percentage ratio of income taxes is placed at 10 percent, she said.

Income taxes collected last year totalled P13.640 billion while business taxes reached P9.899 billion.

CSO: 4200/538

PHILIPPINES

COMMERCIAL PAPERS' ISSUANCE SHOWS DROP

Manila BULLETIN TODAY in English 28 Jan 85 p 25

[Article by Ailene A. Armendi]

[Text] Commercial papers (CPs) issued for November, 1984 amounted to ₱9.98 billion, which is eight percent lower than the previous month's level of ₱10.85 billion, according to a report released by the Securities and Exchange Commission (SEC) over the weekend.

The SEC report stated that the short-term CP issuances decreased by seven percent from ₱10.72 billion to ₱9.97 billion while the long-term CPs dropped to only ₱0.5 billion from ₱0.13 billion.

Outstanding commercial papers amounted to ₱14.84 billion, only two percent less than the previous month's total of ₱14.57 billion. The outstanding balance of short term CPs increased by three percent while long-term CPs posted a very minimal increase. Bonded indebtedness registered a decline of ₱4.0 million.

By industry sector, all outstanding balance of short-term CPs increased. Banks and non-banks with quasi-banking (QB) functions increased by less than one percent and by two percent, respectively; financial intermediaries without QB function by a measly 0.72 percent, trade by 100 percent and the manufacturing sector by 12 percent.

SEC officials explained that the increase in the issuance and outstanding balance of the registered short-term CPs in the manufacturing and trading sectors simply means that these industries are productive. In effect, they can manage to meet high interest rates charged by banks and other lenders.

CSO: 4200/538

PHILIPPINES

GOVERNMENT PLANS TO EXPAND SEMICONDUCTOR INDUSTRY

Manila BULLETIN TODAY in English 28 Jan 85 p 26

[Text]

The government plans to expand the country's semiconductor and other electronics industries along with non-traditional exports like garments and handicrafts, according to Prime Minister Cesar Virata.

While he did not cite exports earnings of the three products, Virata said their expansion "would be

our prospects in the immediate future."

He explained that expansion would be implemented in a short-term period, adding that "we are already achieving some of our goals in our external adjustment efforts."

Traditional exports like sugar, copra, coconut oil still suffer a crunch in the world market due to low

prices of these commodities.

According to Virata, the government will expand the electronic-semiconductor industry this year because of its high potential in export earnings.

Along with increasing the dollar earnings of non-traditional exports, imports of non-essential products will be reduced.

CSO: 4200/538

PHILIPPINES

DAVAO SUGAR PLANTERS SHIFT TO RICE, CORN

Manila BULLETIN TODAY in English 29 Jan 85 p 11

[Text]

DAVAO CITY. Many farmers in Southeastern and Central Mindanao (Regions XI and XII) have started developing more areas for palay and yellow corn production for the next crop season.

During a trip in Davao del Sur, MP Carlos B. Cajelo was informed by the farmers that beginning this year, they will shift from sugar cane to rice and corn farming.

In Davao City, Cajelo conferred with Ministry of Agriculture and Food Director Arturo Sarmiento who assessed him of the food production drive in the region.

Cajelo said that the rice farmers of the Cotabato and Davao provinces have targeted two cropping seasons within six months. In fact, he said, the first plant-

ing season started late December and the harvest targeted in early March.

Cajelo also reported that a total of 7,457 hectares of yellow corn have been developed in South Cotabato for the next crop season. He said the farmers found yellow corn farming profitable as the average yield based on the 2,302 hectares of yellow corn harvested last year was 4.2 metric tons per hectare.

Cajelo also said that the production of soy beans in Region XI is picking up this crop year.

On azolla, the weed-like plant which has been found as an effective fertilizer, a total of 21,096 hectares of land in Region XI have been inoculated with the plant, Cajelo said.

CSO: 4200/538

PHILIPPINES

ARTICLE PROFILES BUSINESS LEADER ZOBEL

Broadway THE NATIONAL TIMES in English 1-7 Feb 85 p 15

[Article: "Old Money Rejects the Crony Factor"]

[Text]

ENRIQUE ZOBEL brakes his Jeep on a hillock and points to a cluster of Rusa deer darting away. "I know the King of Malaysia gave me," he says. "They're about twice as big as Philippine deer."

The 1,600-acre property, called Hacienda Lugaa, is Zobel's weekend retreat. He is an agronomist who was trained at the University of California at Los Angeles.

Zobel is chairman of the Bank of the Philippine Islands, the nation's largest private financial institution, and he heads a handful of other businesses.

The hacienda includes a stable of more than 100 horses, bred and trained for polo, a Zobel passion. He started playing when he was 17 years old and has won the King's Cup competition in Spain three times.

The ranch has an airport, and Zobel, a former Air Force wing commander, flies to and from the hacienda in a French-made helicopter. But the ranch is not just an amusement for the 57-year-old banker-farmer; it is also a business and an almost self-sufficient environment.

After lunch on a breeze-swept terrace, Zobel points out that every item on the menu came from the ranch — shrimp, pompano, pork, rice, beans, papaya and coffee. The ranch is a testing ground for agricultural experiments that interest Zobel, projects with commercial application, such as raising a British variety of pig that, Zobel claims, converts grain feed into flesh at twice the efficiency of Philippine pigs. Or employing solar panels to generate the power to irrigate high-yielding rice fields.

"This is my hobby," Zobel says, "but it more than pays for itself, it makes money."

Yet, in the Philippines, the most impres-

everything about Zobel's ranch is not all that it includes, but what is missing. I accept for one officer of the Philippine Constabulary at the airport, required by Government regulation, there is not one security guard on the whole spread. Zobel has no bodyguards.

In a sense, he is the embodiment of old money in the Philippines, the most prominent living member of the Roxas-Ayala-Zobel clan. The patriarch of the family, Domingo Roxas, founded the Philippines' first major commercial enterprise in 1834, but the family has long had a reputation for having political independents and progressives.

In 1952, before the Government began its land reform programs, the Zobel family sold to the peasants all but 2,400 acres of an original 22,000-acre holding, at four pesos per acre, payable over 10 years at 6.5 per cent interest. "The people around here all own their own plot of land, even if it's small," Zobel said. In nearby Calatagan, Mayor Josa B. Co observes, "This town is peaceful and progressing little by little, even in difficult economic times, with the help of the Zobel."

There are occasional gifts, such as the schoolhouse Zobel recently built. But mostly, he provides jobs, both at the ranch and at a nearby Zobel-owned resort, which attracts tourists from Manila.

Zobel doesn't apologize for his wealth, quite the contrary. In his view, there are the working rich, who are job creators, and there are the cronies, who are glorified thieves.

To those who are critical of his wealth, he replies: "I pay 70 per cent of every peso I make in taxes, and you'd have to kill me to get the other 30 per cent. You should ask the Government what happens to the other 70 per cent. That's where the problem is."

Zobel is neither a crony of Marcos nor vehemently opposed to him. He considers himself to be without political affiliation. But he is one of a growing number of business leaders who are critical of the Marcos Government.

Of the nation's economic plight, he says, "The solution is so simple, really. We need a system based on competence. And if Marcos would eliminate cronyism and the crony businesses, we still might get a recovery under Marcos."

PHILIPPINES

BRIEFS

TOLENTINO TO LEAVE FOR EUROPE--Foreign Minister Arturo Tolentino is leaving for Vienna at the end of this month. Tolentino will attend conference on how to improve economic relations between Southeast Asia and Europe. From Vienna he will proceed to Paris to preside over a meeting of Philippine ambassadors, charges d'affaires, and principal officers assigned in Europe. Tolentino said the agenda of the meeting will include problems of the different Philippine diplomatic posts. He will also explain to the diplomats the new thrust of Philippine diplomacy under his stewardship. He is recommending that the BIR [Bureau of Internal Revenue] be allowed to retain some of its revenue attaches abroad. President Marcos earlier ordered the recall by June this year of 50 percent of service attaches abroad. Tolentino said however that revenue attaches must be retained in American cities with large Filipino populations. He said the BIR attaches can help the staff of various Philippine consulates by doing the tax collecting themselves. [Text] [Quezon City Maharlika Broadcasting System in English, 0400 GMT, 19 Feb 85]

ECONOMIC SUPPORT FUND--A total of \$47.5 million are being released from the Economic Support Fund (ESF) to finance 58 foreign-assisted projects throughout the country. The fund releases will be made during the first four months of this year. Among the projects which will receive funding are the Bicol and the Palawan integrated area development projects. In Manila, correspondent Ruby Serra reports on the completion of work on several projects funded by the Economic Support Fund: [Being recording] In a report to Vice Governor Ismael Mathay Jr, the Metro Manila Commission [word indistinct] team handling the ESF projects involving mainly roads and school buildings said that all ESF projects for 1984 are 100 percent complete in Metro Manila. The team told Mathay this included five units of two-story ten-classroom school buildings of the Miguel Malvar Elementary School, Mayague Elementary School, Grace Park Elementary School, San Vicente Elementary School, and the Lucas Pascual Elementary School. [Words indistinct] have completed eleven units of one-story three-classroom type of school building. [End recording] [Quezon City Maharlika Broadcasting System in English 0400 GMT, 20 Feb 85 HK]

CACUS APPROVES SUGAR TRADE FIRM--The KBL [Kilusang Bagong Lipunan] ruling party yesterday [19 February] approved the establishment of a single buying and selling agency or a private sugar trading corporation to handle domestic sugar trade. In approving the establishment of a single agency to handle domestic sugar trading, the KBL agreed that the move will bail the sugar industry out of its present financial difficulties and ensure continued employment of over 4 million people. President Marcos underscored the need for a new sugar trading agency after Ambassador Roberto Benedicto briefed the ruling party on the critical situation of the sugar industry. [Text] [Manila Far East Broadcasting Company in English 2306 GMT 19 Feb 85 HK]

ENVOY DIES IN AIRPORT SHOOTING--Manila, 20 Feb (AFP)--Two soldiers died today in a shooting incident at a tiny island airport where British Ambassador Michael Morgan and his wife were waiting to board an aircraft, the PHILIPPINE NEWS AGENCY (PNA) said. Mr and Mrs Morgan were unharmed, the agency said. The shooting erupted at Sanga-Sanga Airport in the island province of Tawi-Tawi, 1,000 kilometers (600 miles) south of here, where the envoy and his wife were waiting for a flight to nearby Zamboanga City, PNA said. A constable, who was reportedly suffering from malaria, died at a group of officers and killed a constable, the agency said. The constable was in turn killed by a fellow soldier, PNA added. Provincial constabulary commander Lieutenant Colonel Gene Tulawie sustained minor wounds in the shooting. The agency gave no further details. A spokesman for the ambassador's household here said that the envoy and his wife were on a tour of the southern provinces and that they were accompanied by several members of the British mission. [Text] [Hong Kong AFP in English 0400 GMT 20 Feb 85]

WOMAN RELEASED FROM MILITARY PRISON--Manila, 18 Feb (AFP)--A suburban court today ordered the release of a well-known woman terrorist from a military jail on charges of frequent terrorism. Loris Raffrey, who has pleaded guilty to terrorism stemming from an unsuccessful bombing attempt on a traveller's conference here in 1980, was ordered released by Mr Marcos Friday, a state prosecutor said. She is among the longest held woman political prisoner in the country, and those there were earlier charged with illegal possession of explosive and multiple. Convicted under which could have landed them lifetime jail terms. "We decide to drop the charges against Raffrey after receiving a letter from President Marcos not to release her," Pasay City prosecutor Ernesto Bernabe told AFP. BERNABE SPOKE after today's hearing. "It seemed like an endless wait. I thought I would see Loris and her kids for the rest of my life," Mrs Raffrey told AFP after the court issued its order. Today's hearing would have been for her petition for temporary release from a suburban military stockade, where she was held detained after being found guilty, Mrs Raffrey's lawyer Peter de la Cruz said. [Text] [Hong Kong AFP in English 0515 GMT 18 Feb 85]

U.S. MILITARY ADVISORS IN COUNTRY--The 27 American military advisers in the Philippines are here to assist Filipinos in the use of U.S. (guns) and not to train soldiers in combat. The 27 Americans are members of the Joint U.S. Military Advisory Group, or JUSMAG. Dr (Heinz Venista), director of the American-Japanese Cultural Center in Metro Manila, made this clarification in Manila City. (Venista) said that it is a normal procedure for the U.S. government to send military advisers to countries buying military equipment from the United States. [Text] [Quezon City Maharlika Broadcasting System in English 0600 GMT 15 Feb 85 HK]

SINGAPORE

PAPER COMMENTS ON CAMBODIAN RESISTANCE STRENGTH

BK151509 Singapore THE STRAITS TIMES in English 15 Feb 85 p 22

[Editorial: "Keep Cambodian Resistance Alive"]

[Text] Cambodian resistance fighters have taken quite a beating from the Vietnamese Army this dry season. The Vietnamese offensive has been so fierce that it seems that they are out to inflict the maximum possible damage on the resistance forces. And they have succeeded to some extent. Seven out of eight KPNLF [Khmer People's National Liberation Front] camps have fallen and even the Khmer Rouge stronghold at Phnum Malai is now under siege. Hanoi, which so often claims that it is interested in a peaceful solution to the Cambodian problem, is obviously out to prove a point, that it can go for the military solution if it so chooses. The offensive has taken a heavy toll on the Cambodian resistance but the Vietnamese are no nearer to their goal of subjugating the country. Other occupation armies have learned to their distress that it is virtually impossible to wipe out a guerrilla resistance. If the Vietnamese think that they have crippled the Cambodian resistance for good, they need only wait until the wet season to find out if they are right.

The Cambodian resistance, in particular the KPNLF, have suffered losses which need to be replaced quickly, or their efficacy as a fighting force would be severely affected. ASEAN foreign ministers who met in Bangkok early this week have called for international military assistance for the resistance forces to correct the military balance. It is unfortunate that the United States has declined to give any form of military aid. Their Vietnam angst [in italics] could explain their decision but other countries which have an interest in seeing a Cambodia free from Vietnamese domination should respond to this call. It is not that the Cambodian resistance is entertaining hopes of dislodging the Vietnamese army. It is carrying on the fight to put pressure on the Vietnamese. Perhaps after a long war of attrition, the Vietnamese might be persuaded that a military solution is untenable and that they are better off leaving the Cambodians to decide their own future.

Given the punishment they have taken and the likelihood that the Vietnamese will make it as uncomfortable as possible for them to move back to their camps, the resistance forces have much rebuilding to do if they are to remain credible. Having learned a bitter lesson from this year's offensive, some changes in

strategy would be in order. For instance, the KPMLF's reliance on fixed based camps makes them an easy target for the Vietnamese. A mobile guerrilla force striking deep into enemy territory is less vulnerable. There is no question of any wavering in ASEAN's support for their cause. While ASEAN can help to secure material aid for the Cambodian resistance and maintain its diplomatic efforts to prevent the Vietnamese-installed Heng Samrin regime from gaining international acceptance, the task of keeping the Cambodian nation from becoming a Vietnamese satellite rests with the Cambodians themselves. To this end, they must unite and fight hard to preserve their national identity.

CSO: 4200/544

THAILAND

COLUMNIST SEES U.S., ASEAN DILEMMA IN PHILIPPINES

Bangkok DAILY NEWS in Thai 11 Jan 85 p 2

[Around the World column by Trairat: "ASEAN-America"]

[Excerpt] A very interesting question is, if something happens to Marcos and the opposition seizes power and forces the United States out of the Philippines, what will the United States do? And is ASEAN prepared to deal with this problem? Also, if the Soviet Union gains influence in the Philippines and uses the naval and air bases there, things will become very complex. What should be done to deal with this?

Is there any chance that Japan, other ASEAN countries, Australia, South Korea and China will help prop up the Philippines on the various fronts that are failing fast like a seriously ill person? The United States can't give any more support since it only stands to lose. The Filipino people dislike the United States and feel that it has helped Marcos oppress the people of the Philippines.

The only way to solve this problem seems to be to have Marcos leave the stage. If he continues in power, the country will only suffer greater destruction. Even if Marcos was a god, he would not be able to restore the Philippines to what it was. If Marcos steps down now while the leftists are still weak, the neutral or rightist factions will have a good chance of gaining power, and they will preserve the military bases.

The United States is always backing leaders whom the people dislike and propelling up governments that the people want to get rid of. The end result is that it is the people in these countries that drive out the Americans.

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Ref: 42-7/119

THAILAND

MONK MAY BE VICTIM OF OLD POLITICAL CHARGES

Bangkok CHAT ATHIPATAI in Thai 6-12 Jan 85 pp 6-11

[Article: "Phra Phimontham Misses Becoming 'Somdet'"]

[Text] In the end, on 5 December 1984, although 60 monks were raised in rank, none was given the title "sodet phra rachakhana" to fill the two vacant positions, that is, the "phra phutachan" and "phra Phirayanmuni" positions.

Thus, the two sodet phra rachakhana positions will remain vacant until 5 December this year or perhaps even next year.

The Reason Is That the Department of Religious Affairs Tabled the Matter

A news source in the Department of Religious Affairs told CHAT ATHIPATAI that the reason why the king did not fill these two positions is that the Department of Religious Affairs did not submit the matter to him.

"This matter was not submitted to me," said Mr Phawat Bunnak, the Deputy Lord Chamberlain of the Bureau of the Royal Household. "To make an appointment, they had to submit the matter through my office."

Normally, when the Council of Elders issues a resolution or the supreme patriarch decides to confer this status on a senior monk at the phra rachakhana rong sodet level (the Hiranyabat level), the matter is sent to the Department of Religious Affairs to have it take action on the matter.

This time, there were rumors in ecclesiastical circles that before the supreme patriarch became ill, he sent the names of senior monks at the phra rachakhana rong sodet level who should be promoted to the Department of Religious Affairs. When the Department of Religious Affairs receives a directive from the supreme patriarch, it must submit the matter to the minister of education. The minister of education then submits the matter to the Office of the Prime Minister in order to have the Bureau of the Royal Household submit it to the king.

The military court found him innocent. The court said that he had been framed and that he was innocent of the charges.

This is why Phra Phimontham was not promoted. It is thought that the Council of Elders will not fill the two vacant somdet phra rachakhana positions until after Phra Phimontham dies.

"Even if some other senior monk is appointed before Phra Phimontham dies, there will be many problems. For example, monks, especially younger monks from Mahachulalongkorn University, will definitely demonstrate in protest just as they did in 1975 when they demanded that Phra Phimontham's title be restored to him," said a Buddhist youth.

This youth also said that the reason why the Council of Elders chose to delay filling the two somdet positions until after Phra Phimontham dies is that Buddhist youths will not dare demonstrate against this. If they do, the image will be one of monks who are still ruled by worldly desires. This is different from when they appealed for Phra Phimontham's title to be restored to him, which was an appeal for justice since the court had found him innocent of the charges.

Persecuted Because Went Too Far

Looking back to 1957, the reason why Phra Phimontham has been persecuted and harassed is that he has modern ideas and greater talents than other monks. That is, he has played a more "prominent" role than other monks of his generation.

Phra Phimontham is now 82 years old. He was born in Muang district in Nakhon Phanom Province in 1903. Before he was ordained at Wat Mahathat in 1922, he worked as a teacher at the local school in Muang Kao Subdistrict, Nakhon Phanom district, Nakhon Phanom Province.

In 1927, Wat Mahathat sent him to establish a Paraj and naktham school at Wat Chaisriyadararam in Ayuthaya Province. He remained at this temple until he became an abbot in 1948, when he was transferred to become the abbot at Wat Mahathat.

In the past, he held the title of Phra Rachakhana, level 4, as Phra Phimontham; phra rachakhana, level 3, as Phra Rachasitsutham; phra rachakhana, level 2, as Phra Thepweethi; phra rachakhana, level 1, as Phra Thamtrailokachan; and phra rachakhana rong somdet as Phra Phimontham.

As for the title of phra rachakhana rong somdet, he was given this title the first time in 1948. But the title was withdrawn in 1960 when he was charged with violating the precepts and brought to trial on charges of engaging in communist activities. It was not until 1975 that his title was restored to him.

to what we call the "emergent."

Correspondence: Dr. P. J. J. van den Broek, Department of Public Health, University of Amsterdam, 1017 CA Amsterdam, The Netherlands.
E-mail: p.j.j.vandenbroek@amc.uva.nl

1. He is a gentleman who has surpassed all the others of his generation and he was elected to the highest level for phra rachakhana (the highest rank) when he was 1170 young. Also, he boldly engaged in several foreign activities and activities outside the country, such as his engagement in activities in Burma, leading (Buddhist) students to visit and contact with foreign countries. Such things are common today, but they were only exceptional in years ago. In this respect, other monks of this generation could not keep up with him and so they became very inferior.

... my opinion that my informant matter as it challenging people's faith in Buddhism. This can be dangerous. Also, he had a high rank appointment as the Minister of the Interior (Sanghamontri) in the government. He was the first person to hold a high degree in religious studies from Japan. He was the leader of a group of monks who tried to withdraw and appoint their own Sanghanaiyok (religious prime minister). And all of them had very definitely had secret enemies among them who were enemies of him.

1. The British and the Government have the respect of some people. But the Government today are too arrogant. Some felt that he had associated with the British. But never before dating back to the time of Mr Pradi Narasimhaiah and the Sardar Vallabhbhai Patel. Thus, some people felt that he had defeated his religious principles. His enemies included King George VI and the Queen, Sir Winston Churchill. But there were also students and workers throughout the country who had great respect for him. The message was that the senior monks in the Sangha followed him in terms of discipline, wisdom and leadership in the Buddhist administration. He has been oppressed by the British and the Government and the power.

1. Wat Mahathat is a product of Wat Mahathat, which has been an important part of the Thai capital, or of the Mahanikait sect ever since the city was founded. For example, Mahachulalongkornrajavidyalaya University, ever during the time of the monarchy, Wat Mahathat prospered throughout the reign of Rama V as well as the subsequent administration. For example, it sent monks to administer the important temples in both Bangkok and the provinces, and during the same period, ever since the Sangha was reformed, the supreme patriarch's residence has been in Wat Mahathat, the National Assembly just as the Throne was in the old monarchy.

PHOTOCOPYED FROM THE ORIGINAL

It is impossible to see politicians and talents as detailed by S. Siwarak that only a few monks had been engaged in various feuds ever since 1900. At that time, Sangha administration was very democratic. Sangha administration was similar to civil administration today. That is, there was a *phrahanayaka* (prime minister), *sanghamontri* (ministers) and *adhipati* (deputy ministers).

At that time, *Phra Thaisamarat Kittisophonmahathera*, the abbot of Wat Mahachulalongkornrajavidyalaya was later became the supreme patriarch, was the *sanghanaiyok* and *Phra Phimonthan* was the *sanghamontri* for administration. The *sanghamontri* for administration had great power and influence at that time.

The fact that *Phra Phimonthan* served as the *sanghamontri* for administration was at that time factor that led to his forced disrobement and prosecution in 1930. This has caused great problems for him ever since. This is what he wrote in "Photchayaman" (Struggle Against Nasty, Nasty) which published in 1981 on his 80th birthday. In one place, he wrote:

"Before I was forced to give up my position as the *sanghamontri* for administration, I was appointed as the position of *sanghamontri* for education. As the *sanghamontri* for administration had great power and influence, he has long waited to hold this position. Several times, he asked me to trade positions with him. But I responded by saying that I did not know as much about education as he did."

But *Phra Phimonthan* was forced to give up his position as *sanghamontri* for education in 1930. Because that year, *Somdet Phra Wannarat Kittisophonmahathera* became the supreme patriarch, and the Ecclesiastical Cabinet was formed. The supreme patriarch did not appoint *Phra Phimonthan* as a minister in the new Ecclesiastical Cabinet. *Somdet Phra Wannarat Kittisophonmahathera*, the abbot of Wat Makutkasatriyaram, was appointed as the supreme patriarch, served as the *sanghanaiyok* in the new Ecclesiastical Cabinet.

PHOTOCOPYED FROM THE ORIGINAL

After *Phra Phimonthan* was forced to give up his position as *sanghamontri* for administration, *Phra Phimonthan* was forced to give up his position. They finally succeeded in 1930. *Phra Phimonthan* was imprisoned for 5 years.

"After the new cabinet was formed, instead of implementing a policy of leniency to deal with compassion, the new policy used both force and leniency to force me to leave the order," wrote *Phra Phimonthan* in "Photchayaman." The section states that "many loyal and devoted monks and lay people supported *Phra Phimonthan* and hoped to see him return to the order. At last, he finally returned to the order."

On 7 September 1960, things happened just as these monks had said. The supreme patriarch ordered Phra Phimontham to leave the order, charging him with having engaged in sodomy and acting improperly in public.

"The Police Department investigated your conduct and obtained evidence and so the matter was submitted to the sanghanaiyok, who then called a meeting. Police officials came and witnessed the proceedings and listened to the testimony given by witnesses. Their testimony corroborated that of the police. The Ecclesiastical Committee feels that you have violated the precepts and that you should not be allowed to remain in the order or keep your title," said the directive issued to Phra Phimontham.

However, after Phra Phimontham received this directive from the supreme patriarch, he did not resign from the order. Instead, he fought the charges against him. On 11 November 1960, Field Marshal Sarit Thanarat, the prime minister at that time, issued a prime ministerial statement demoting Phra Phimontham to Phra Phiksut At for having disobeyed the directive of the supreme patriarch. Then on 20 April the next year, Phra Phiksut At was arrested by the police at Wat Mahathat on charges of engaging in communist activities. He was taken and jailed at the Special Branch Division.

That same day, the sanghanaiyok ordered the sanghamontri for administration, Phra Thammawarodomsap Khosako from Wat Sangwetchawisayaram, to disrobe Phra Phiksut At. In turn, the sanghamontri ordered the ecclesiastical governor of Bangkok Province, Phra Thamkhunnarak (who is now Somdet Phra Phutthakhosachan, the abbot of Wat Samphraya, and who plays a great role and has much influence in the Council of Elders) to disrobe Phra Phiksut At.

Phra Thamkhunnarak and Phra Thammahawiranuwat, the sanghamontri at large at that time (he is now Phra Wisutthathibodi, the abbot of Wat Traimitwithayaram and a member of the Council of elders) disrobed Phra Phiksut At on 21 April 1961. Before he was disrobed, Phra Phiksut At twice sent letters, through Phra Thamkhunaphon, to the sanghanaiyok asking for justice. But he was refused.

After he was disrobed and became "Mr At," he fought for justice in the military court. While he was in jail, he continued to conduct himself like a monk. On 30 August 1966, the military court found him innocent, stating that "all of the evidence leads us to believe that the defendant was persecuted unjustly. He is not guilty of the charges. The court would like to ask the defendant to consider this as his own fate or karma.

In summary, if everything that has happened to Phra Phimontham really is his own karma, that karma shows that many of those who treated him like that have died pitiful deaths in retribution for their acts. Only a few are still alive waiting their fate.

11943

CO: 4207/118

THAILAND

COMMERCE MINISTER CUTS SHORT OVERSEAS TRIP

BK180322 Bangkok BANGKOK POST in English 18 Feb 85 p 1

[Text] Commerce Minister Koson Krairoek cut short his overseas visit and flew back to Bangkok yesterday to settle rice export problems.

Mr Koson, who had visited India and Iraq, said he cancelled his trip to Europe so as to be able to speed up rice exports which had been held up by someone who wanted him ousted from the Commerce Ministry.

He noted that rice exports would have been much faster had it not been the work of some subversive elements. He did not elaborate.

Regarding the accusation by the Thai Garment Manufacturers Association [TGMA] that the ministry had cut down its garment export quota, Mr Koson said he did not cut down that quota, but simply readjusted the quota system to ensure fairness for all exporters.

The new system calls for the division of the annual export quota into two categories: 70 percent as basic quota and 30 percent as supplementary quota.

Under the system, the Commerce Ministry will give the supplementary quotas to exporters only after they meet 90 percent of the basic export quota in cases where the export goes to the United States, and 60 percent of the basic quota for markets elsewhere.

Mr Koson, however, said he would order an investigation into the quota sharing problem. He added that he would meet with TGMA representatives today. He said he was not afraid of protests by the association or textile workers against the new quota system.

Commenting on his talks with the Iraqis, he said Iraq had agreed to purchase 80,000 tonnes of Thai rice.

CSO: 4200/555

THAILAND

TRADE ISSUE WITH JAPAN REPORTED

Keidanren Group Exchanges Views

BK151344 Bangkok BANGKOK WORLD in English 15 Feb 85 p 3

[Excerpt] Keidanren, an influential Japanese business group led by Yoshihiro Inayama, chairman of Nippon Steel Corp, this morning called on Foreign Minister Sitthi Sawetsila at the Foreign Ministry.

Foreign Ministry spokesman Sawanit Khongsiri said this morning that the Japanese team and ACM [Air Chief Marshal] Sitthi exchanged views on the possible restructuring of trade system between the two countries.

He said the Japanese delegates have promised to consider the Thai proposal to improve the trade system.

"The government-to-government trade system may not be effective because the Japanese Government is involved in only 10 to 20 percent of the trade, while the remaining 80 percent is conducted through private groups like Keidanren," Sawanit said.

Prem Meets Group

BK140958 Bangkok BANGKOK WORLD in English 14 Feb 85 p 3

[Text] Prime Minister Prem Tinsulanon this morning assured a delegation from the Japanese Federation of Economic Associations (Keidanren) that Thailand's economy is still stable and Japanese are welcome to invest here.

Keidanren is Japan's most powerful non-profit organization. Its 30-member delegation, led by Chairman Yoshihiro Inayama, arrived here yesterday to observe the situation in Thailand and to exchange views with top Thai officials and businessmen to promote bilateral trade and investment.

Prime Minister Prem met the delegation at Government House at 9 a.m. today.

In a welcoming speech, General Prem noted that Thailand and Japan had had a good relationship for a long time. Japan, he said, had a significant role in the Thai economy.

General Prem said he hoped that the delegation's visit would help solve the economic problems between the two countries.

Dr Sani Daidin, secretary-general of the National Economic and Social Development Board, described General Prem's talks with the Japanese delegation as useful and constructive.

He said the Kaidanren delegates were here to find out what Thailand wanted so that the Japanese Government could adjust its policy.

The Japanese team would also meet Thai businessmen and top officials of the State Private Government Consultative Committee and the Board of Investment, Dr Sani said.

"We will speak with one voice" in talks with the Kaidanren team to add more weight to our demands, he said.

Delegation Answers Termed 'Vague'

BK30(36 Bangkok BANGKOK POST in English 15 Feb 85 p 21

[Text] Kaidanren, the influential Japanese business group, remained noncommittal yesterday in the face of persistent calls to help rectify Thailand's heavy trade deficit problems with Japan.

The Japanese delegation's answers to top Thai Government officials—including Prime Minister Prem Tinsulanonda, Deputy Prime Minister Phichai Rittakom, Industry Minister Op Maturat and Deputy Commerce Minister Phairoj Chaiyaphan—were described as being vague.

The Japanese team yesterday repeated what they had told Thai officials earlier, that they sympathized with the Kingdom's problems, and would consider and notify the Japanese Government of Thailand's trade deficit problems.

According to the Commerce Ministry, Thailand last year suffered a trade deficit with Japan, amounting to nearly 50,000 million baht.

The Kaidanren group, led by Nippon Steel Corp's chairman Mr Yoshihiro Inaba, began their four-day visit to Thailand on Wednesday to "promote exchanges between ASEAN and Japan on all levels."

In a meeting at the Government House yesterday morning, Mr Phichai called on Kaidanren to increase the volume of ASEAN and Thai exports to Japan and urged Japan to invest more here.

In another meeting with the Japanese group at the Industry Ministry, Mr Op urged them to change its trading attitude, or risk the chance of losing business with Thailand to European countries.

Mr Op also suggested that negotiations on the annual Thai-Japan trade pact be started in this month instead of June, so that early efforts could be made to meet the targets.

THAILAND

CONTAINER SHIPPING LINK TO CHINA OPENS

BK150307 Bangkok BANGKOK POST in English 15 Feb 85 p 25

[Text] China Ocean Shipping Company's [COSCO] regular direct container service between China and Thailand began yesterday, following the arrival of COSCO's first container vessel, the "Shang Cheng."

The ship left Shanghai on 1 February on its maiden voyage to Penang, Malaysia, and Port Kelang, Singapore.

The brand-new ship with a sailing speed of 16 knots will triple the speed of goods delivery from Bangkok to Chinese ports over conventional vessels.

The "Shang Cheng" left for Hong Kong yesterday with Thai products including nylon yarn, beans, etc., for China, and a quantity of sheet glass for Hong Kong.

From Hong Kong, it will sail to Xianeb [name as published] in Guangzhou, Shanghai, Xingiang [name as published] and Huang Pu.

Polited by Capt Li Qing-tang, the ship is scheduled to return to Bangkok around mid-March.

It will call at Bangkok once a month, around the middle of the month.

Nam Yun Yong Shipping Company of Bangkok has been appointed agent for COSCO's container ships in addition to conventional vessels.

The "Shang Cheng" will also serve Thai exports to the United States, Europe and Australia. Cargoes to U.S. and Australian ports will be transshipped in Hong Kong, and those to Europe ports in Shanghai.

CSO: 4200/555

THAILAND

RTN FRIGATE OVERHAULED

Kuala Lumpur ASIAN DEFENCE JOURNAL in English Nov 84 pp 86, 87

[Article by Keith Shreves]

[Text] Commissioned thirteen years ago, Thailand's naval frigate TAPI (PF-5), underwent a partial modernization and overhaul last year. The most obvious effect of the rebuilt and modernization effort was the fitting of a modern Oto-Melara 76mm/62/cal. 'Compact' gun forward and the removal of two US-type MK.34 3-inch guns. It is likely that the second unit of the "PF-103" class design, RTN KHIRIRAT (PF-6) will undergo the same modernization exercise shortly.

The "PF-103" design is an enlargement of the Italian "Ansaldo" class frigate and was authorized for MDF funding under the International Logistics Programme. RTN TAPI was built by the American Shipbuilding Company, Toledo, Ohio. Laid down 1 April 1970, the vessel was commissioned on 1 November 1971. Standard displacement is about 900 tons and about 1,170 tons fully loaded--but all units vary. The vessels are powered by two Fairbanks-Morse 38TD8, nine-cylinder diesels, with twin screws available.

The gunnery modifications including installation of the 76-mm 'Compact' mounting forward (01-level), installation of a single 40mm/ L70 anti-aircraft mount aft (replacing a 3-inch MK34 gun), and two single 20mm/80/cal. AA guns aft (01-level) which replace the twin US-pattern 40mm MK.1 previously carried. Some of the weapons modifications aft are probably associated with reducing over-all weight and to compensate for the 'Compact' mount now carried forward. Given the improved firepower with this gun and the HSA MW-25 fire control system the vessel is a more effective gun platform than when the ship had two main battery guns.

Besides the electronics described in the accompanying photographs, the vessel has an AN/UPN-12C LORAN-A receiver, Mackay 4004 direction finder, gyrocompasses and magnetic compass to aid navigation. The ship's primary air surveillance and air search radar, the SPS-6C, was not replaced during refit possibly due to weight and cost considerations inherent to a new, more powerful air search radar.

While not designed for anti-submarine warfare as a primary mission, the RTN TAPI does have a SQS-17B sonar for search and attack functions. ASW weapons include two triple Mk.32 ASW torpedo launchers on the stern (for launching the Mk.44 torpedoes used by the Thai Navy) and Mk.9 depth charge racks, which normally contain 12 depth charges. The HEDGEHOG mortars installed forward have been removed, to allow room for the 'Compact' gun installation.

The Thai Navy's primary concern is the Vietnamese navy and anti-insurgency control in coastal waters. Vietnam operates a number of "Osa-I" PTC and "Shershen" PTFs, and "Petya" class light frigates. In any future conflict between the countries, the up-gunned RTN TAPI is bound to give a good account of itself.

CSO: 4200/497

THAILAND

CGDK FUTURE QUESTIONED AFTER SRV-PRK ATTACKS

Bangkok SU ANAKHOT in Thai 10-16 Jan 85 pp 39, 40

[Article: "The Khmer Coalition, the Longer Things Drag On, the Less Hope"]

[Excerpts] The fighting along the Thai-Cambodian border between the CGDK forces and the forces of Vietnam and the Heng Samrin government in Phnom Penh has increased greatly in intensity. This is the heaviest fighting in the 6 years that Vietnam has occupied Cambodia. And a third country that is experiencing problems because of the fighting is Thailand. Not only have we had to find places to stay for the Cambodian civilians who have left their camps inside Cambodia in order to flee the fighting, but Thai troops have had to make preparations to defend against incursions by the vietnamese and Heng Samrin troops engaged in the fighting.

At the same time, the Thai government, which is experiencing problems because of the heavy fighting along the border, is trying to solve the problems through diplomatic action at the international level. Ministry of Foreign Affairs officials are exposing to the entire world Vietnam's atrocities and its goal of occupying Cambodia permanently. The government has also implemented a military policy in order to defend our sovereignty and prevent the fighting from spilling over into Thailand.

The fighting along the Thai-Cambodian border has become much more intense, and Vietnam has announced a new policy on Cambodia, which is to eliminate the forces of the coalition government by continuing the offensive during the rainy season. Also, a new U.S. policy on Vietnam states that emphasis will be placed on conducting negotiations and improving relations. All of these things indicate that the matter of Vietnam's invasion of Cambodia is beginning to change. But unfortunately, this change will just help Vietnam oppress Cambodia even more. Because what has happened to date shows that the efforts made by Thailand, ASEAN and other countries throughout the world that oppose Vietnam's actions have failed to achieve clear results. Vietnam is still setting the conditions, and it is the important variable in the political and military activities in Cambodia. If Vietnam steps up the fighting and

negotiates with the United States, which opposes Vietnam rather strongly, and the United States softens its position, what will happen to the hundreds of thousands of Cambodian refugees who have fled to Thailand and to the CGDK forces?

The military and political help given by China and the ASEAN countries to the combat forces and Cambodian people under the control of the Khmer coalition government have proven to be insufficient. Changes will have to be made. The policies of the countries that are supporting the Khmer coalition government must be changed and revised to fit the situation. The question is, what effect will the policy changes have and how much will this benefit the Cambodian people?

The future of the Khmer coalition government looks very bleak unless Thailand and its allies who share similar views on solving this problem revise their policies to fit the situation better.

Here, it isn't necessary to show pictures or relate more stories about the suffering of the Cambodians who have fled into Thailand to escape the ravages of war.

11943

CSO: 4207/119

THAILAND

CPM CAMP CAPTURED AFTER ARTILLERY, AIR STRIKES

BK160253 Bangkok THE NATION REVIEW in English 16 Feb 85 p 2

[Text] Betong, Yala--Thai troops yesterday evening overran the jungle headquarters of a Communist Party of Malaya (CPM) faction after air strike and artillery barrages on the camp, field military sources told THE NATION.

The fall of the headquarters of the CPM eight regiment (second zone), known as a CPM-Marxism, Leninism faction, climaxed the four-day military offensive which was launched last Tuesday, the sources said.

One Thai troop was killed and 16 others wounded during the four-day operation, code-named "Taksin 8502," against the CPM jungle stronghold, situated just about 500 meters from the Thai-Malay frontier and about 15 kms northwest of this border town.

The sources said that at the request of Col Panthep Phuwanatnurak, deputy commander of the combined task force, an OV-10 aircraft based at Air Wing 41 airbase in Surat Thani rained 500 pounds of bombs on the communist hide-out.

During the air raid, Thai gunners also pounded the base with artillery fire while helicopter gunships were also employed in the operation, according to the sources who asked not to be identified.

Two Thai troops were wounded when they stepped on boobytraps during their advances towards the camp, the sources said.

A preliminary search of the camp shows that it comprises 80 buildings and several basketball grounds, the sources said.

The casualties on the CPM side were still not known yesterday. During the operation Thursday, Thai troops clashed three times with the communist guerrillas, resulting in one Thai soldier killed and eight others wounded.

The military campaign was coordinated with Malaysian troops who were deployed on the other side of the frontier to block the escape routes of the guerrillas. Two Malaysian troops stepped on boobytraps and were wounded yesterday.

CSO: 4200/556

THAILAND

CPM DAMAGES HELICOPTER SUPPLYING CAMP

BK170343 Bangkok BANGKOK POST in English 17 Feb 85 p 3

[Text] Betong--Communist Party of Malaya (CPM) rebels yesterday fired on and damaged a helicopter supplying food to Thai troops based in a large communist-built camp captured on Wednesday nine kilometres northwest of here, military sources reported last night.

The helicopter returned to base safely. The sources said that a CPM force had been sent to try to recapture the camp and was expected to launch an attack today.

No one was injured in the attack on the helicopter. Three soldiers were seriously wounded by a landmine as they patrolled the camp containing 105 dwellings, a field hospital, a power plant, water works, schools and a sports ground.

One of the wounded, identified as Sgt Samruai Sakkaeo, had his right leg amputated. All three were rushed to the hospital by helicopter.

Prime Minister Prem Tinsulanon yesterday visited 22 wounded soldiers at Betong Hospital who were injured in a joint-operation against the CPM conducted by Malaysia and Thailand which began last week. Communist casualties were not disclosed.

CSO: 4200/555

THAILAND

PAPER PRAISES KHMER-ROUGE GUERRILLA TACTICS

BK180342 Bangkok THE NATION REVIEW in English 18 Feb 85 p 4

[Editorial: "Khmer Rouge Guerrilla Tactics Appear to Work"]

[Text] According to all reports from the Thai-Kampuchean border, the Vietnamese have overrun all the key bases of the Khmer resistance forces of coalition government of Democratic Kampuchea. If that was the objective of Hanoi's fierce dry season offensive, it has been successful. But what has happened to the resistance forces themselves? They are still there, regrouping in unpredictable places and continuing to harass the Vietnamese troops which are fighting a conventional war.

True the Vietnamese have tanks, helicopters, armoured personnel carriers and heavy artillery--in short, they have superior firepower. But if superior firepower always wins, then the Americans would have won the war in Vietnam. Right now, the Khmer Rouge on whom Vietnamese ferocity has been unleashed are using the same tactics which the Viet Cong and North Vietnamese used against the Americans. Superior firepower, as the Americans discovered in the 1960's, is always capable of capturing bases but the victory is always Pyrrhic. Then the Americans, somewhat in desperation, adopted the "search and destroy" tactics. And we all know that failed, too.

Now, with the key bases in Vietnamese hands, Hanoi has to change its tactics because the resistance forces are there somewhere ready to locate a weak spot in the Vietnamese logistics and strike. While the guerrillas of Son Sann and Prince Sihanouk may need more training in guerrilla warfare, the Khmer Rouge are already masters and perhaps the Vietnamese Army and its war machine is suffering more than if they had left the Khmer Rouge bases alone.

We sincerely hope the Khmer Rouge, who are displaying superb guerrilla tactics, will be able to hold out till the monsoon season as otherwise another development might arise. The Chinese have been openly talking about invading Vietnam for nearly a month and have now put the border forces north of Vietnam under full alert. Sihanouk says that he has the pledge of the Chinese that they will invade Vietnam before the back of the Khmer resistance is broken.

First, we do not believe the time has come to say that the back of the Khmer resistance is broken just because the Vietnamese have taken over all the key bases. Second, we do not want the Chinese to invade Vietnam, unless in

desperation, because such a move will open an unpredictable can of worms. The immediate reaction will be an escalation of international tensions and Southeast Asia will become a seething cauldron of confrontation.

There is a difference between the Chinese incursion into Vietnam in 1979 and a "second lesson" at present. The Vietnamese have fortified their border with China heavily and have stationed their crack regiments there. But tipping the balance are the Soviet military complexes in Danang and Cam Ranh Bay which are capable of giving air and naval support to the Vietnamese. Whether the Soviet Union will get directly involved is anybody's guess but if it does, it might even bring about a superpower confrontation.

Nobody in the world wants all of these unknown factors in a bizarre interplay of possibilities and probabilities. It is because of these, we sincerely hope that the Khmer Rouge will be able to succeed in their guerrilla tactics. Meanwhile, the Sihanouk and Son Sann factions have had time to regroup and they should be able to give some diversionary assistance to the Khmer Rouge.

CSO: 4260/556

THAILAND

VILLAGERS KILLED BY SRV SHELLING

BK180224 Bangkok BANGKOK POST in English 18 Feb 85 pp 1, 3

[Text] Five Thai villagers were killed and another wounded in cross-border shelling by Vietnamese forces on Saturday, military sources said.

The sources in the Burapha Task Force said that more than 100 artillery and mortar shells landed in Ban Kruat District of Buriram as Vietnamese gunners pounded an outpost of the Khmer People's National Liberation Front (KPRLF).

Many shells slammed into Ban Sai Tri village in the district, killing five people, they said.

The dead were identified as Miss Annual Siniset, Mrs Thongchan Chamobrum, Miss Phongthip Chamobrum, Mrs Thongsai Sirum and Mr Chanai Thirum.

Two other villages were also hit by stray Vietnamese shells, one of which landed close to the residence of the chief police inspector of Ban Kruat, slightly injuring a policeman.

Vietnamese gunners started another round of bombardment around 4 p.m., sending some shells into the compound of a Ban Kruat secondary school and into the lodgings of Ban Nong Dum school teachers.

The sources said that the Suranari Task Force retaliated with its artillery. Reinforcements and armaments were also rushed to the border.

About 2,000 Thai villagers were yesterday evacuated deeper inside Ban Kruat District.

Buriram Governor Yut Kaeosamrit, accompanied by the provincial police superintendent, Col Somkiat Cheloemchuang, later visited the shelled villages.

Supreme Commander General Athit Kamlang-ek said yesterday that the situation in Ban Kruat was not very serious. But he assured that Thai troops along the border were on full alert.

Meanwhile, sources in the Burapha Task Force said yesterday that Vietnamese forces, buoyed by their recent success in dislodging the Khmer Rouge from its traditional stronghold in the Phnum Malai region, were gearing up for a new offensive against the non-communist faction of the Kampuchean resistance forces still holding out near the border.

The sources said that Heng Samrin's troops from the 9th and 10th regiments of the 4th Division and one Vietnamese regiment from the 9th Division, supported by six 5-54 tanks, were poised to attack KPNLF troops under Chea Chhut based near the Site 6 evacuation center, opposite Ban Ang Sila of Ta Phraya District.

Despite the KPNLF's loss of its base at Prey Chan (formerly Nong Chan) late last year, Chea Chhut's men are still waging a guerrilla war against the Vietnamese.

The sources said that Vietnamese reinforcements were also sent from Oddar Meanchey to Ampil for an attack on the KPNLF forces in Ta Lok (formerly Dong Ruk) and Prasat Slaeng (Sanlor Cha-ngan).

Active Vietnamese troop movements were also reported opposite the Ritthisen (Nong Samet) camp where Liew Ne-led resistance fighters were operating, the sources added.

They said that Vietnam was likely to make full use of the remaining two months of the dry season to attempt to wipe out all the resistance forces along the Thai-Kampuchean border.

Interior Minister Sitthi Chirarot yesterday visited Aranyaprathet, Wattana Nakhon and Ta Phraya districts of Prachin Buri, Pong Namron District of Chanthaburi and Muang District of Trat.

In Aranyaprathet, the minister was briefed by District Officer Nawin Kanthabhirun about the recent fighting in Kampuchea and its effects on Thai villagers.

According to Mr Nawin, more than 600 Vietnamese shells landed in Aranyaprathet between 11-15 February, killing two villagers and forcing the evacuation of more than 4,200 others.

CSO: 4200/555

THAILAND

ARMY ASKS MEDIA TO PRACTICE SELF-CENSORSHIP

BK200309 Bangkok BANGKOK POST in English 20 Feb 85 p 1

[Text] The army yesterday told the press to exercise self-censorship and restraint in their coverage of military matters.

Representatives from all news publications were summoned to the Supreme Command headquarters in an apparent attempt to diffuse ill-feeling between the military and MATICHON newspaper.

Earlier the army banned MATICHON newsmen from attending press conferences and covering military events. Supreme Commander Gen Athit Kamlang-ek is currently suing the newspaper for 20 million baht.

Supreme Commander Chief-of-Staff Gen Pathom Soemnin said the meeting was aimed at easing tension between the military and the press and urged reporters to take care in writing about sensitive issues which could affect national security.

News reports about arms deliveries, military installations and lists of military personnel could all give the enemy "an insight into our military strength." He said under these circumstances the press must exercise a certain amount of self-censorship.

Referring to the MATICHON case, General Pathom alleged that unfair and biased reporting about senior officers could encourage insubordination in the ranks and might cause internal conflicts within the armed forces. If this happened, senior officers had a responsibility to protect the interests of the military, he said.

General Pathom said that General Athit had personally given the order to ban MATICHON newsmen from all military activities. The ban will remain until the newspaper's management show they are repentant for their statements about General Athit, he said.

CSO: 4200/555

THAILAND

REPORT ON ARREST OF SEVEN VIETNAMESE 'SPIES'

BK181054 Bangkok BANGKOK WORLD in English 18 Feb 85 p 3

[Text] Seven Vietnamese soldiers were arrested by Thai authorities last night and yesterday afternoon on suspicion of being spies, a military source told the WORLD this morning.

The source said two national defence militiamen alerted district officials last night that they suspected that four men who had asked for food at Ban Dan of Tambon Ban Mai Saithong might have been Vietnamese soldiers.

The officials later informed troops who rushed to the village and rounded up the four suspects, the source said.

He said they admitted being North Vietnamese soldiers attached to Battalion 278 of the Border Guard Regiment based at Poi Pet.

The source said the four identified themselves as Pvts Le Chuong, 17; Ho Quang Ngan, 17; Nguyen Viet Cat, 18; and Trinh Vi Hoang, 20.

The source said that some documents were also found in the possession of Trinh Vi Hoang.

The source also said that he believed that these four Vietnamese soldiers had entered the Thai border on sabotage missions as they had penetrated as much as 12 kilometers into Thailand.

He said that they were seen near a bridge at Kilometre 8 of the Suwannason Road and near the Aranyaprathet-Bangkok railway line.

They were sent to the Burapha Field Force Headquarters for questioning, he said.

Earlier in the day the same source said that Thai troops attached to Special Task Force 202 also arrested three Vietnamese spies at Ban Nong Pru.

He said it was believed that the three had slipped into Thailand to locate military outposts and installations.

Meanwhile the situation along the Thai-Kampuchean border at Buriram remained tense this morning after crossborder shelling by Vietnamese over the weekend left five Thai villagers killed and seven injured and a school boarding house damaged.

The dead included a little girl Thip Chalun.

On the same day Thai border troops also clashed with Vietnamese soldiers who penetrated one kilometer deep from the border at O Bok.

One Thai soldier identified as Pvt Sanguan Ngamphrom was killed and four others were wounded.

The Burapha Field Force has reinforced the Buriram border to cope with the situation.

CSO: 4200/556

THAILAND

CHILD MALNUTRITION, SLAVE LABOR CONTINUE

Bangkok SU ANAKHOT in Thai 10-16 Jan 85 pp 22-26

[Article by Phithaya Wongkun: "Thai Children Today--Who Is Responsible for Their Fate?"]

[Excerpt] Thailand produces large quantities of food, but it ranks 12th in the world in terms of number of malnourished children.

UNICEF has found that of the approximately 6.4 million children age 0-5 years in Thailand, about 3.3 million suffer from malnutrition. A survey conducted by the French journal LA MONDE found that 50,000 to 60,000 children have died from malnutrition.

The figures in this report agree with those given by Thai news sources. DAILY NEWS has stated that many Thai children are suffering from malnutrition and that many have died from this. On the average, one child dies from this every 10 minutes. That is, there are 6 deaths per hour for a total of approximately 55,000 deaths a year. And many others suffer from physical abnormalities. It is feared that this will affect the minds of the nation's [citizens] and produce a citizenry that is generally incompetent in the future.

In 1984, 55,000 children below the age of 5 died from malnutrition. In 1982, of the 6.4 million children in this group, 128,000 children had severe cases of malnutrition, 896,000 had moderate cases of malnutrition and 2,368,000 had mild cases. Besides this, there were 19,402 children ages 6-14 [as published], and 9,701 died from anemia. In 1981, 40,000 children ages 0-4 years died, and in 1978, 76,689 died.

The October issue of SATUDI DEK, which is published by the Children's Foundation, reported that based on disclosures made by high-level news sources in the Ministry of Public Health on infant mortality, the statistics are very alarming. At present, the death rate among infants is 47.7 per 1,000. These infants die from malnutrition, parental neglect and various diseases.

Most of those who suffer from malnutrition come from poor families. They are the children of laborers and farmers or people who live from "hand to mouth." The bitterness of those who support the country by their labor does not stem just from not having enough food and material possessions or from contracting diseases. They also suffer mental torture when they must watch helplessly as their children die.

In the northeast where there is drought and poverty, the statistics on living conditions are frequently very bad. A study made by the Division of Nutrition, Department of Health, Ministry of Public Health, found that 55.6 percent of the children in the northeast suffered from malnutrition. This is a higher percentage than in any other region of the country. A study conducted by students from the Nakhon Ratchasima Teachers' College found that there was a strong correlation between the parents' profession and malnutrition among students in the villages. That is, 72.03 percent of the students whose parents were farmers suffered from malnutrition while only 30.0 percent of the students whose parents were merchants suffered from malnutrition. None of the students whose parents were government officials suffered from malnutrition.

When faced with great economic problems, for the survival of the family, poor parents have to sell their children's labor. Some are forced to sell their children in order to obtain money to support the younger children in the family. At present, the flow of children from the rural areas to the cities in search of work and the use of child labor are on the increase. Also, children are frequently abused very cruelly by their employers.

The crisis over the use of child labor has become a major issue worldwide. This is a disgrace to the human race. Innocent children are being exploited. Children this age should be in school and having fun. The pictures of children 3 to 4 years old loading bricks onto small carts, pushing the carts and stacking the bricks in another place are pictures that bring into clear focus the poverty that exists in the world today, the age of computers. These pictures accompanied a special report in a January 1983 issue of NEWSWEEK. The article stated that the International Labor Organization estimates that approximately 75 million children ages 8-15 have entered the labor market.

UNICEF has reported that in Thailand, approximately 4.1 million children between the ages of 11 and 14 are working. These 1.4 million children have not attended school as required by the Ministry of Education. Of these children, 1.2 million work in the agricultural sector. The other 200,000 work in the industrial sector in Bangkok. Approximately 30,000 do heavy construction work.

Because of the economic situation, many children have not had a chance to attend school. These children will grow up to be unskilled laborers. This will definitely affect future economic and social development

plans. Based on these figures, UNICEF has ranked Thailand third in the world in the use of child labor. First and second are Tanzania and Mozambique.

Labor Department statistics show that 40,000 children are working in the industrial sector. Department of Industrial Works statistics show that 147 factories have requested permission to use a total of only 583 child laborers. At the same time, there are approximately 5,000 illegal factories. Based on this, it can be assumed that most child laborers are working in illegal factories where working conditions are unsafe and there are no welfare benefits. Children are also engaged in service occupations. They work as servants in homes and as child prostitutes.

Child labor is cheap labor. Employers can control the children easily and force them to work hard. Children from the provinces rarely run away, and they cannot go and get another job like an adult can. Most of the factories that use child laborers are small and medium-sized factories. They have been set up without obtaining permission or registering properly in accord with the law. For example, in the textile plants and in the factories that finish ready-made clothing, make plastic goods, toys and toffee, clean ammunition cartridges and make clothes and candles, children are paid around 3,500 to 5,000 baht a year. Some places pay 250-300 baht a month; a high rate is 500-600 baht.

In the factories, the children are not looked after very well. The illegal factories are often located in concealed places. The environment in these factories is no different from that in places used to cage animals. In some places, sleeping areas are located in the work rooms. There are no pillows or blankets. At some factories, dozens of people sleep in the same room. Children have to perform repetitive tasks that require them to stand or sit in one spot for 10-12 hours a day. That is, they have to work from 0700 to 2000 hours. They may or may not be given Sundays off. At some places, the work rooms are cramped, hot and dusty. This makes people sick, but they are not given any attention. Each year, many children are injured while working. Some are maimed; others are killed. The food is bad. Some places given them spoiled food since it is cheap.

11943

CSO: 4207/119

THAILAND

STUDENTS PROPOSE ECONOMIC MEASURES

BK150301 Bangkok BANGKOK POST in English 15 Feb 85 p 3

[Text] The Students Federation of Thailand [SFT] urged the government yesterday to adopt careful, sincere and decisive measures to solve the deteriorating economic situation.

SFT secretary-general Chatchai Akkhamani said the economic problems were a legacy of previous governments which had also allowed the income gap between urban dwellers and farmers to widen.

While the economy was plagued by trade deficits and foreign loan repayments, the government's remedial measures were always contradictory, he said.

Mr Chatchai said the baht devaluation could not control rising commodity prices and farmers were still getting ever-decreasing prices for their crops.

Furthermore, he said, the government passed on the burden of state enterprises to the public by allowing them to increase their fees.

Recent samples included Bangkok bus fares; rail fares and water rates, he said, while mismanagement was the reason for the losses.

The SFT called on the government to:

--Adopt appropriate remedial measures without leaving the public under greater financial pressure;

--Avoid political point-scoring and seriously get to grips with economic problems;

--Refrain from making impossible promises. The SFT said such a promise was made when the government claims the devaluation would control commodity prices;

--Half costly arms purchases in view of the government's recent statement that Thailand has enough weapons for its defense needs;

--Bring about an equitable redistribution of wealth and make serious efforts to collect taxes;

--Examine its past economic errors and learn from those mistakes.

The SFT is to hold a discussion on the "Economic Crisis in Thailand" at Thammasat University on Tuesday.

THAILAND

UKRIT OFFERS RESIGNATION IN TENURE DISPUTE

BK181412 Bangkok BANGKOK WORLD in English 18 Feb 85 p 1

[Excerpt] President of Parliament Dr Ukrit Mongkhonawin this morning offered to resign his post in April to end a dispute over his tenure as Speaker of the Senate.

Speaking to reporters at the Anantasamakhom Throne Hall, Dr Ukrit said that he would not allow the dispute to escalate into a national event.

"If there is a conflict of opinion then I will resign in April and let them elect a new Senate Speaker," he said.

"However, I would like this to be a matter to be decided by parliamentary officials, but as I said if a conflict of opinion arises I will resign. I will not permit an interpretation of the Constitution to be done just to solve this matter," said Ukrit.

Minister Attached to the Prime Minister's Office Michai Ruchuphan, who is the government's legal adviser, said this morning, however, that it is up to members of Parliament to decide whether Dr Ukrit's term as Senate Speaker will expire in April because the present Constitution is not clear on this matter.

"The Senate Speaker's term is two years, but the Constitution does not mention whether the two-year term starts when a person takes up the post or whether the term expires every two years regardless of how many people assume the post within one term," said Michai.

The present term of Senate Speaker started in April 1983 with Charubutruangsuwan as Senate Speaker. Charubut died last year and Dr Ukrit succeeded him.

Dr Ukrit claimed that he has another year to serve, because he has only held the post for a year after succeeding Charubut.

He also said that Article 109 of the Constitution says nothing about a successor serving only what remains of his predecessor's term.

Michai this morning told reporters that if the matter cannot be settled then it will be up to members of Parliament--Senate and House of Representatives--to decide.

"It will have to be decided by members of both houses as the Senate Speaker is also president of Parliament," said Michai.

THAILAND

PAPER ON PLANS FOR NEW TV CHANNEL

BK180636 Bangkok THE NATION REVIEW in English 18 Feb 85 p 1

[Text] Thailand's newest television station, Channel 11, will start airing its programmes in June and plans to expand its service to 22 branch stations in various provinces, Director General of the Public Relations Department (PRD) Danai Siyaphai said yesterday.

He said Channel 11 station, directly supervised by PRD, will devote half of its airing hours to education programmes without any commercials.

Without additional budget for the purpose and with officials and technicians of PRD, the new station is experimenting to air its programmes with a 10-kilo-watt transmitter and "it will take about 4-5 months before we can put on the tube," he said.

Danai said the operation of Channel 11 will go in full force within a few years after its opening, adding that the headquarters of the station will be located on New Phet Buri Road, covering an area of 11 rai.

The station in Bangkok will also be used as a centre to connect with provincial stations in Lampang and Chiang Mai of the north; Yala, Songkhla, Surat Thani, Phuket, Chumphon and Prachuap Khirikhan of the south; and Khon Kaen, Nakkon Ratchasima and Surin of the northeast.

He said PRD will need a budget of 55 million baht for the construction of a new building for Channel 11 station and "the money will come from rental of the PRD's 11 radio stations."

Danai said Channel 11 will serve various universities for education purpose, including Sukhothai Thammathirat Open University which needs at least five hours on the air but is currently given only 1.5 hours.

Ramkhamhaeng University, the Education Ministry and Public Health Ministry will also air their programmes through the new station.

The director general said Channel 11 will also provide news during its daily and nightly programmes as well as serve the government on its publicity for national stability, adding that entertainment with an emphasis on Thai value and culture will also be put on the air.

Without commercials, the station will financially survive from rental on the station and "we do not have a policy of making huge profit from our operation," he said.

Danai said PRD will also discuss with the Asia Broadcast Union to have Channel 11 act as a centre of information from member countries of the Association of Southeast Asian Nations (ASEAN).

PRK will also seek the government's permission to open more branch stations in Ubon Ratchathani, Sakon Nakhon and Nakhon Ratchasima next year and expand to a total of 22 branch stations in the future, he said.

CSO: 4200/556

VANUATU

THAI PAPER SAYS LINI PLEDGES SUPPORT FOR ASEAN

BK150159 Bangkok THE NATION REVIEW in English 15 Feb 85 p 2

[Text] Vanuatu, a small South Pacific country which abstained in the vote on Kampuchea at the UN General Assembly over the past 2 years, early this week pledged support for ASEAN's efforts to achieve a political solution to the Kampuchean conflict.

The support was pledged for the first time during a meeting between Vanuatu Prime Minister Walter H. Lini and Thai Deputy Foreign Minister Praphat Limpraphan on Monday, according to a report filed by the Thai delegation in Port Vila to the Foreign Ministry Tuesday.

The report quoted the Vanuatu prime minister as telling Praphat: "We would like to lend our support" over the ASEAN efforts to reach a political solution.

The Thai deputy foreign minister was visiting the small island in South Pacific on the first leg of the first ministerial tour of the region which also covers Fiji, Solomon Islands and Papua New Guinea. The Thai delegation wound up the three-day visit to Vanuatu and left Tuesday for a four-day visit to Fiji.

The Kampuchean conflict reportedly figured prominently during the talk between Praphat and Prime Minister Lini, who was briefed in full details on the latest Vietnamese military campaigns against Khmer resistance forces close to the Thai border. Praphat told the prime minister that in launching fierce attacks on Khmer encampments along the border, the Vietnamese used Soviet-supplied tanks, artillery pieces and other military hardware.

CSO: 4200/541

MILITARY AFFAIRS AND PUBLIC SECURITY

CUSTOMS UNIT COMBATS SMUGGLING, INTERNAL PROBLEMS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 12 Dec 84 pp 1, 4

[Article by M. C.: "Customs Branch Office Builds Youth Union To Serve as Activist in Resisting Smuggling, Internal Negativism"]

[Text] The Municipal Customs Branch Office Youth Union recently held a conference on controlling and resisting smuggling and on building an unblemished and strong union, and to set forth an action program from now until 30 April 1985 for making achievements to observe the 10th anniversary of the liberation of the city.

For the past many years, the smuggling situation has developed, concentrated in a number of channels such as: infiltration by sea through the municipal port, by land across the border from the west, and by air through the movement of passenger luggage, exported assets, gifts, etc., violating import and export duty policies and the state management monopoly on foreign trade and foreign exchange.

During the past 5 years (from 1980 to October 1984), the customs inspection units, whose activists are the youth union forces, have apprehended thousands of offenders and recovered a relatively large quantity of currency, gold, precious stones and valuable goods for the state. Many serious offenses have been handled such as the arrest of Huong, organizer of contraband goods hoarding and distribution throughout the city, with the confiscation of 144 taels of gold, 3,373 U.S. dollars and 107,560 packs of foreign cigarettes.

On the ocean route, the customs forces during 1984 discovered and recovered a quantity of smuggled goods worth tens of millions of dong. At the airport, the Customs Inspection Unit discovered that Dang Duong, with permission to leave the country with his family, had concealed large amounts of gold, diamonds and U.S. dollars in his luggage. Besides the mission of inspecting and managing export and import goods, the customs sector also is tasked with the collection of duty on non-commercial goods (gifts). During the past 5 years, the Customs Youth Union has set forth many methods of educating and building an unblemished and strong union and has launched many movements such as the one to establish a champion at apprehending offenders, the movement to resist internal negativism, etc. The unit has judged and dismissed a number of union members and youths for loss of quality, collusion, receiving bribes, etc.

The conference indicated that the action program from now until 30 April 1985 will be to intensify goods inspection methods and activities and to limit internal negativism to the lowest level.

On this occasion, the Secretariat of the Youth Union Central Committee awarded the "Outstanding Three-Assaults Movement Achievement Unit" banner to the Municipal Customs Branch Office Youth Union and the "For the Young Generation" emblem to Lam Van Do, Chief of the Municipal Customs Branch Office.

7300

CSO: 4209/224

MILITARY AFFAIRS AND PUBLIC SECURITY

BOGUS GOODS FLOOD MUNICIPAL MARKET

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 14 Dec 84 p 2

[Article by Quoc Vinh: "Manufacture and Sale of Bogus Goods, An Activity Destructive to the Economy Which Must Be Punished"]

[Text] The manufacture and sale of bogus goods is one of the activities most seriously destructive to the economy. It may be considered as a typical deceitful stratagem of dishonest merchants which directly violates the interests of the consumer and is of a dangerous nature because of its ability to cause serious harm to the lives and health of the people while simultaneously adversely affecting the circulation of goods in the market.

First of all, we must define what bogus goods are.

Bogus goods must be differentiated from goods of poor quality. Poor quality goods are those that fail to meet the state stipulated standards of product quality due to a lack of responsibility by the production unit, to difficulties in supplies and raw materials or to shortcomings in the management and review steps.

Bogus goods may be recognized through the following three circumstances:

First of all, bogus goods are products manufactured for sale whose actual function does not match the use value of their brand name. In other words, they are made of raw materials without regard to quality or the minimum acceptable technical properties. For example, toothpaste made of lime, vitamins made of wheat flour, cigarettes made of dried papaya leaves, etc.

Secondly, bogus goods are products manufactured to sell by fraudulent stratagems concerning the brand name and cloned appearance to trick the consumer into confusing them with legitimate products of the same type. For example, using bogus draft beer to make export beer, making bogus bicycle tires bearing the state "Hoc Mon" bicycle tire label!, etc.

The third case is to counterfeit goods of foreign production by making closely resembling or "identical" items to cheat the consumer with the purpose of acquiring illegal profit. For example, making bogus cigarettes bearing the brand name of Captain, Summit, etc.

The sale of bogus goods is an illegal activity. The merchant knows that the goods are bogus, still sells them to cheat the consumer, and must be prosecuted before the law.

In our city, the manufacture and sale of bogus goods is fairly widespread, creating serious harm to the economy and life. According to reports by the market management forces, the number of incidents involving the manufacture or sale of bogus goods (or a combination of both these activities) accounts for 30 to 70 percent of all the monthly economic violations. During the third quarter of 1994, the market inspection-management units of precincts and districts uncovered hundreds of cases of bogus goods manufacture and sale. The majority of these dishonest merchants had organized ingenious networks for the production and distribution of bogus goods and were using part of the small peddlers as their sales "leg-men." Bogus goods from the city are also transported to the provinces for distribution on a large scale. There are also cases in which the dishonest merchant manufactures bogus goods in the city, slips them into the provinces and then returns them to the city for distribution under the guise of "imported goods." For example, Captan, Summit, Jet, etc. cigarettes are taken to provinces next to the Cambodian border and transferred to smugglers who return them for distribution in the city.

The most dangerous thing is that the dishonest merchants concentrate on the bogus manufacture of goods with widespread consumer requirements in society such as western drugs, cigarettes, liquor, beer, etc. Their manufacture also follows "current events." Especially during the lunar new year celebration, they thrust a series of bogus and poor quality goods into the market such as tea, wine, bread, preserves, etc. Or, when they see a state produced item placed on sale, they immediately manufacture an exactly similar bogus item. For example, when Saigon cigarettes were first produced and became the preference of many people, the dishonest merchants immediately produced bogus cigarettes exactly imitating everything from the wrapper to the individual cigarette.

Concerning the harmful effects of bogus goods, the people of our city will never forget a number of serious cases. Bogus talcum powder killed dozens of children. Bogus "Lebon Rum" killed many people in the city and the provinces. There have also been many other types of bogus goods, especially tobacco, foods and processed foods, which although not immediately robbing the consumer of his life, did have a long-term harmful effect on his health.

Not stopping at confusing the market, the manufacturers and sellers of bogus goods also damage the prestige of the state. They manufacture bogus state-produced goods, causing the consumer to doubt the quality of products made by state economic units. In the cultural and social aspects, they create or encourage unwholesome consumer preferences. Most widespread at the present time is their manufacture of bogus goods bearing foreign labels, creating a psychology of worshipping foreign goods which is contrary to the fine traditions of self-sufficiency of our people. They are also the group extorting socialist property by conniving with degenerate and deviant elements to misappropriate the supplies and raw materials of state-operated economic units (for mixing with various types of low quality supplies and raw materials for the manufacture of bogus goods). They also bribe a number of unsavory elements in the printing sector (state-operated or collective printing units) and nurture illegal printers to print their wrappers and labels.

The manufacture and sale of bogus goods is an activity causing serious harm to the economy which must be condemned and eradicated. The Council of Ministers law on punishing the crimes of speculation, smuggling, bogus goods manufacture and illegal business activities (promulgated on 30 June 1982) stipulates the following penalties:

Anyone manufacturing or selling bogus goods to make a dishonest profit may be imprisoned for 6 months to 5 years and fined from 5,000 to 50,000 dong.

Offenders manufacturing or selling bogus grain, food or treatment drugs may be imprisoned from 3 to 12 years, fined up to 500,000 dong and may have part of their assets confiscated.

Offenders manufacturing or selling bogus goods which have toxicants or other materials harmful to the health and life of the consumer may be imprisoned from 10 to 20 years or life and may have part or all of their assets confiscated.

Sweeping out those manufacturing and selling bogus goods is not only a task of the public security and market management units but is also the responsibility and job of all our laboring people, aimed at assisting in firmly managing the market, protecting social order and security, and also protecting their own health and lives.

7300

C30: 4209/224

MILITARY AFFAIRS AND PUBLIC SECURITY

MONTAGNARD VILLAGERS HALT FULRO FOOD THEFTS

Hanoi QUAN DOI NHAN DAN in Vietnamese 6 Jan 85 p 2

[Article by Nguyen Hong Diep: "Pig Prints in the Manioc Patch"]

[Text] Po Lan Binh had a patch of manioc at the foot of Kong Lo Pang Mountain. Thanks to untiring weeding and fertilizing by he and his wife, the fresh green manioc plants were a pleasure to see. He planned to allow the manioc to grow for a full 2 years before cutting, drying and selling it to fulfill his state obligations and to receive a sum of money to repair his home.

Going out to look at the patch one afternoon, he was surprised to see that nearly 30 of the manioc plants had been uprooted and stacked on the ground. In the field were also surely the crisscrossing tracks of wild pigs. He followed them to the bank of Dac Troi Stream where they vanished. Returning to the patch, he examined the uprooted plants and was startled to see that not one had the teeth marks of a wild pig. Moreover, a herd of wild pigs would surely not plow up and neatly stack the plants in such a manner. It could be a person stealing the manioc.

Recalling a recent cooperative member meeting in which he heard a provincial cadre tell about the cunning and malicious plots of the reactionaries, he went straight to the people's committee office to report. The information that he supplied coincided with a number of actions by the Fulro bandits recently discovered by the people.

Thus, a plan to ambush and apprehend the enemy was developed. Five nights passed without the enemy returning. Some thought it probably really was wild pigs that had plowed and stacked the manioc but Co So Len, the militia platoon commander, encouraged the men to stand fast. Despite the mosquitoes, dampness and cold, the men continued to silently listen for the sound of movement.

On Saturday night, a heavy jungle rain abruptly soaked many to the skin and set their teeth to chattering. Water from the Ia Yun River noisily swept along the logs and rocks.

Suddenly, from a rocky hill came the sounds of persons whispering, coming closer each moment. The rain drops from the storm made a hissing sound as they fell to the ground. A clump of trees on the edge of the field shook and four shadows crossed the fence into the patch. They concentrated on uprooting the manioc, chopping off the tubers and stuffing them into their dossers. When the four dossers were full, the four shadows bent down to carry the manioc toward the gate. Suddenly, a loud voice broke through the thick darkness:

"Halt! Raise your hands! Surrender and live, resist and die!"

The two men in back attempted to resist but two shots toppled them like rotten trees. The two remaining men raised their hands and surrendered. According to their statement, they were counterrevolutionaries who had just crossed the border to contact agents here. However, for more than 10 days, they had not dared to enter any village because of the sharp lookout by the village self-defense militia forces. Their provisions were exhausted and for more than a week, they had been forced to live by stealing manioc, corn and vegetables from the gardens and terraced fields of the people. To avoid discovery, they had carved wild pig hoofs of wood to make tracks on the ground.

Through this story of wild pig tracks, the Bahnar and Giarai people in Mang Giang District more fully understand the crafty and insidious hearts of the Fulro gang. The people willingly coordinate with each other in constantly upholding a spirit of vigilance to determinedly annihilate all Fulro in order for the life of the villages to be increasingly well off and happy.

7300

CSO: 4209/230

MILITARY AFFAIRS AND PUBLIC SECURITY

BANDIT EMIGRES HARASS ETHNIC MINORITY BORDER AREAS

Hanoi QUAN DOI NHAN DAN in Vietnamese 6 Jan 85 p 2

[Article by Hai Binh: "Some New Activities of the Bandit Emigres"]

[Text] Recently, the reactionaries in the Beijing ruling circle have promoted the use of bandit emigres to sabotage the area security of our country's northern border. This group includes unsavory elements of the ethnic minorities in Vietnam, reactionary elements among the Vietnamese of Chinese extraction and a number of Vietnamese defectors to the enemy during the past few years who have been recruited, trained and organized by the Chinese public security forces into units stationed on our border, and operate under the command of Chinese public security.

Their predominant activities include striving to appeal to the primary level cadres and people of the ethnic minorities to follow them for the purpose of building the underground forces, advancing toward the organization of secret zones in our country and gradually changing our primary level administrations into two-faced governments (but in substance of the enemy) in preparation for an internal rebellion in coordination with a military attack from the other side when the opportunity and conditions permit.

These bandits seek every means to assassinate those resolute and strong cadres refusing to listen to the temptations or accept the bribes of the enemy, both to create losses for our ranks of key cadres at the primary level and to threaten and dominate those still refusing to follow them.

In conjunction with the activities above, the enemy introduces this group to "guerrilla" activities, striking the strong points of the local troops, self-defense forces and militia, and laying mines on the routes of communication and transportation. In locations where we are careless, they daringly and recklessly attack border defense posts or the storage dumps of our troops located 3 to 5 kilometers from the border.

In P. Village of Muong Khuong District, the Chinese public security forces used bandit emigres to solicit a number of village cadres, militia members and public security personnel, and bribe a number of cadres from the mass organizations in the district and province who were natives of P. Village.

They usually attempt to solicit members of their own ethnic minority, simultaneously using sentiments of acquaintance and relationship, money for bribery

and threats and domination by force, while inciting a psychology of ethnic discrimination and division between the ethnic Vietnamese and the Hmong to entice the Hmong into resisting the ethnic Vietnamese.

Not long ago, a number of bandit emigres plotted to have Giang Van S., a local cadre they had bribed, write a letter to the village public security chief for delivery to the border defense post. The letter stated that bandits were operating in the cadre's village and requested that the post send troops to attack. If Border Defense Post P. had not been vigilant and had followed the request of Giang Van S., our soldiers could easily have suffered casualties by falling into an enemy ambush.

In Y Village of Bat Xat District, the bandit emigres have also operated in a fairly reckless fashion such as attacking a border defense post weapons and provisions dump, laying vehicle mines, and ambushing and murdering cadres and troops on the road from the district to the border village. The cadres and men of our armed forces have joined the people of the local area in fighting bravely to inflict many losses on the enemy.

Captured enemy personnel all declare that for regular operations, the bandits must strive to create a "base" in our country to exploit our weaknesses and must become familiar with the area within the scope of their assigned activity. However, they are extremely afraid to return to Vietnam for operations but are forced to by the Chinese public security forces. On the other hand, the Chinese public security forces also offer them "great rewards" as a stimulation for "making combat exploits."

Faced with the new plots and stratagems of the bandit emigres, we constantly uphold our vigilance and combat readiness, and formulate plans to actively strike the enemy and inflict severe losses each time they cross into our country for activity.

Our armed forces affirm that we must firmly ascertain the enemy situation and closely coordinate with each other in motivating the people to take control, to swiftly discover the underground forces of the enemy, to dissolve support for the bandits and raiders and to restrict and halt their operations. Mass mobilization is an especially important task in causing the ethnic minorities to clearly understand the new plots and stratagems of the enemy, to not harbor the enemy, and to encourage their husbands, sons and brothers not to follow the bandits but to return to an honest way of life; and to simultaneously actively assist our troops in pursuing and capturing the stubborn bandits who have committed many crimes.

Every unit must strengthen internal protection and well-educate and manage the cadres and men in regular concern for establishing a "security belt" around the troop location; while simultaneously assisting the local party committees and administrations in plans for protecting our ranks of key cadres at the primary level from enemy solicitation or murder.

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CSO: 4209/230

MILITARY AFFAIRS AND PUBLIC SECURITY

CHINESE MISUSE BORDER BUFFALOES

Hanoi QUAN DOI NHAN DAN in Vietnamese 6 Jan 85 p 2

[Article by Mai Anh: "Buffaloes in the Hands of the Saboteurs"]

[Text] Buffaloes Carrying Leaflets

On the northern border, the Beijing reactionaries are having their accomplices infiltrate across into our country to herd any buffaloes of our people that they see grazing next to the border back into China. They then announce by loudspeaker and radio, "Some buffaloes have wandered across the border into China and their owners may pick them up at location X." Both regretting their loss and worried about not having sufficient draft power to work the land on schedule, the buffalo owners are forced to travel to the section of the border where they are promised the returned animals. They wait an entire half-day without seeing their buffaloes while the radio clamors on slandering our party and government. Our people have at times had to listen to such distorted propaganda for several days before their buffaloes were returned and then, on each animal, the Chinese had tied a bundle of reactionary leaflets.

Buffaloes Transmitting Disease

In order to sabotage us in many aspects, the Chinese have used every lowest stratagem, including the transmission of diseases to the domestic animals of our people. They commonly capture the buffaloes of our people, take them to China for infection and then release them back across the border. If unable to capture the buffaloes of our people, they infect their own and turn them loose across the Vietnamese border. Thinking the buffaloes are lost, our people bring them back and pen them with their own animals, thus spreading the disease.

Buffaloes Serving as Cannon Fodder

The Beijing gang has also used buffaloes as cannon fodder for their real "cannon fodder," the Chinese soldiers. During their war of destruction against us, they have in many locations herded old and sick buffaloes and cattle ahead into suspected mine fields before allowing their soldiers to follow. During the past few years, they have in many locations also used buffaloes to "probe for mines." Their stratagem is to herd the buffaloes back and forth across the border many times in one location. If there are mines, the mines will explode. If there are no mines, the buffalo trails form paths for reconnaissance personnel, spies and smugglers to cross into our country.

7300

CSO: 4209/230

MILITARY AFFAIRS AND PUBLIC SECURITY

SUPERSTITIOUS PEOPLE DRAWN TO CURATIVE RIVER WATER

Hanoi QUAN DOI NHAN DAN in Vietnamese 6 Jan 85 p 2

[Article by Dinh Khanh: "Bathing at 'Fairy Visitation' Islet"]

[Text] Standing in front of the Dong Duc border defense post and looking out toward the location where two tributaries of the Hau River come together, one can see an islet rising out of the water. Natives of the area call it Bac Nam Islet and it falls within the jurisdiction of Quoc Thai Village, Phu Chau District, An Giang Province.

Bac Nam Islet contains about 4 square hectares and has four families living on it who earn a living by fishing and raising subsidiary food crops. Since the day of total liberation, Bac Nam Islet has been a serene place with no stories about deities or devils at all. Nevertheless, a story recently flared up that a fairy had come down to bathe in the waters of the islet and if one wished to cure any disease, he must quickly go there to bathe in and drink the water. Not a few people from villages on our side of the border, a village on the other side of the border, and even people from the interior used small boats and junks to swarm to Bac Nam Islet. Old men, women, and children with cans and bottles, even people with leprosy, skin diseases, etc. assembled in front of the islet to take turns in bathing and scooping up the water to carry back.

No supernatural results were noted but many people fainted simply due to the fact they were packed so close. Many children could not stand the heat from the sun, caught cold and fever, and had to be taken to the Phu Chau District hospital for treatment. Not only abandoning their job and wasting money and time on the long wait to bathe in the "fairy visitation" water, many people were cheated and robbed of all their money and belongings by unsavory elements.

Discovering the situation above, the Dong Duc border defense post reported to the Phu Chau District and Quoc Thai Village public defense forces and discussed methods of resisting and halting it. The border defense and district public security personnel visited nearby villages to discuss and coordinate with local administrations and held sessions explaining to the people the harm of superstition. Simultaneously, the people assembled at Bac Nam Islet were dispersed.

The Quoc Gia Village public security agency made 60 arrests for illegal residency as an educational warning. The border defense reconnaissance forces also discovered a group of unsavory elements, previously members of the Saigon puppet apparatus, that was spreading false information to cause confusion among

the masses. They said that, "Bathing in the waters of 'fairy visitation' islet will cure all illnesses" in order to disturb the order and security of the border area, to delay production, and at the same time to create opportunities for their smuggler and swindler friends to steal the money and property of those gullible people suffering from a loss of vigilance and burdened with an ideology of superstition.

7300

CSO: 4209/230

MILITARY AFFAIRS AND PUBLIC SECURITY

BORDER VILLAGE'S SECURITY ACTIVITIES DESCRIBED

OW181115 Hanoi Domestic Service in Vietnamese 1000 GMT 17 Feb 85

[From the press review]

[Text] QUAN DOI NHAN DAN publishes Ngoc Thuan's article on the experience of Ta Lung, a border village in Quang Hoa District, Cao Bang Province, in effectively checking the Chinese reactionaries' multifaceted war of sabotage. The article says:

Aware of the Chinese reactionaries' cunning schemes, the Ta Lung village party committee and administration, under the guidance of the Quang Hoa District Party Committee, have repeatedly organized study sessions to make the local people understand the enemy's pernicious sabotage maneuvers while actively striving to build and strengthen the local public security force. They have selected capable and qualified people to form a really clean, steady, and strong village public security section; consolidated dozens of people's public security teams; and motivated the population to implement the slogan: each citizen is a security combatant.

In the past, the people of Ta Lung village have supplied the local public security section with hundreds of pieces of information to help detect and check the activities of numerous strangers, traders in Chinese-made goods, thieves, and sorcerers in the village. The members of the Bat Xat public security team have promptly detected, picked up, and turned in to the local administration more than 500 leaflets and a large quantity of psychological warfare goods introduced from China.

Ta Lung is currently building a steady and strong border frontline to maintain public order and security; it stands ready to frustrate the enemy's wicked schemes.

CSO: 4209/243

MILITARY AFFAIRS AND PUBLIC SECURITY

BRIEFS

PRC PSYCHOLOGICAL WAR CONDEMNED--In the "Maintain Public Security," column today's QUAN DOI NHAN DAN carries an article exposing some tricks to sabotage us ideologically carried out by the Beijing reactionaries. After citing a number of psywar tricks the Chinese reactionaries have been using in our country, the article continues: In order to carry out its psychological warfare against us, the enemy has used quite a lot of instruments, facilities, and forms of propaganda from the outside that are coordinated with propaganda inside our country--from furtive talk to arouse suspicions among groups of 3-5 people to large-scale work to influence and poison the minds of large numbers of people. In quite a few areas, the enemy has been using psychological warfare to undermine us ideologically, initiated by the Chinese reactionaries, and echoed by the U.S. imperialists; vice versa, in some cases, the imperialists and other reactionaries are the masterminds, whereas the Chinese reactionaries follow suit. [Text] [Hanoi Domestic Service in Vietnamese 1000 GMT 17 Feb 85]

HO CHI MINH CITY WOMEN VOLUNTEER--On the morning of 14 February all of Ho Chi Minh City's precincts organized send-off ceremonies for the 110 departing young women who had been selected from among hundreds of young women who had volunteered to join the armed forces, in the first batch of the city's 1985 troop recruitment. The women's union chapters of the city and the 10th precinct and the combatants' mothers' association of the 10th precinct exchanged views, gave recommendations, and presented flowers and souvenirs to the recruits. The 3d and 10th precincts and the Binh Thanh District have the most young women volunteering to join the army in this batch. [Text] [Hanoi Domestic Service in Vietnamese 1100 GMT 19 Feb 85]

MILITARY SCIENCE CONFERENCE HELD--Hanoi--A conference on frontier military science was held recently by Vietnamese border guards. Forty reports on military scientific subjects were presented at the conference. The conference discussed and drew many lessons and practical experiences to be applied by the border guards to enhance militant strength to firmly defend the border areas and territorial waters of the country. [Text] [Hanoi International Service in English 1000 GMT 20 Feb 85]

CSO: 4200/571

INTERNATIONAL RELATIONS, TRADE AND AID

PAPER ON CAMBODIAN ECONOMIC DEVELOPMENT DISCUSSED

OW230941 Hanoi VNA in English 0710 GMT 23 Feb 85

[Text] Hanoi VNA 22 Feb--The following are excerpts from an article appearing in the army paper "Quan Doi Nhan Dan" and contributed by Le Lien, an army officer of the Vietnamese army volunteers in Kampuchea, who recently went to Siem Reap Province on the northwestern border of Kampuchea.

Over the past six years the Thai reactionaries, the Pol Potists and the other Khmer reactionaries, under the baton of the Chinese expansionists, have done their utmost to disturb the peaceful efforts of the population in this province sharing hundreds of kilometers of common border with Thailand, but the Kampuchean revolutionary army and the local militia forces, assisted by Vietnamese army volunteers, have stopped all their intrusions and shattered many of their bases at the border.

One day in mid-summer 1980 a Siem Reap mother told me in a shaken voice as she visited my unit, clasping the hands of every soldier: "You have twice come to the rescue of my family, my village and my fellow countrymen".

Two years later, I came back to Siem Reap. There was no longer the ugly face of hunger and disease. Economic activity had resumed its pace. Receiving me at the office of the Provincial Organization of the People's Revolutionary Party of Kampuchea, Chan Sen, member of the PRPK Central Committee and secretary of the Siem Reap party committee, said: "The people of Siem Reap will never forget what the party, government and people of Vietnam have done for them. We wish to see the friendship and cooperation between Kampuchea and Vietnam develop more vigorously in our province. Siem Reap is known to the whole world for its marvellous Angkor temples, but we want to have besides the names of those historical relics the names of projects that would eternalize the Kampuchean-Vietnamese brotherhood".

That was in summer 1982 and not many projects of the kind he spoke of had gone up in the province, except a hotel, a water supply station, a movie house, two fishing ships and a cable communications system, and some other projects of importance. "However," said Su Van Tha, chairman of the Siem Reap people's revolutionary committee, "that is a very good start for an all-round cooperation that will last for centuries".

Siem Reap has abundant resources in agriculture, forestry, fisheries and minerals, but above all, an industrious and creative work force. Su Van Tha added that his province wished to engage in all-round cooperation with Vietnamese provinces on a stable, long-term and mutually beneficial basis.

His dream is coming true. For nearly three years now, Kampuchean and Vietnamese cadres and workers have made a series of important feasibility surveys for economic projects. A number of new industrial works including a machine building factory and several food and wood processing factories have been built, and areas have been marked off for growing rice, beans and industrial plants.

CSO: 4200/571

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

SOVIET DELEGATION VISITS--Hanoi VNA 24 Feb--A delegation of the state committee of the USSR for cinematography led by its vice chairman Boris V Pavlenok visited Vietnam from 19-24 Feb at the invitation of the Vietnamese Ministry of Culture. On 22 Feb the head of the Soviet delegation and Tran Van Phac, member of the Communist Party of Vietnam Central Committee and vice minister of culture, signed here a program for cinematographic cooperation between Vietnam and the Soviet Union for this year. The same day, the delegation was warmly received by Ha Xuan Truong, alternate member of the Party Central Committee and head of the Party Central Committee's department for culture and arts. It had working sessions with Vietnamese cinema workers with whom it discussed measures to promote cooperation in cinematography between the two countries. It toured a number of cinema establishments and a joint Vietnamese-Soviet team engaged in making the feature film "The Death Co-ordinate". [Text] [Hanoi VNA in English 1450 GMT 24 Feb 85]

AMBASSADOR PAYS VISIT--Hanoi VNA 22 Feb--M.E. Pike, ambassador of the United Kingdom of Great Britain and Northern Ireland to Vietnam, today paid a farewell visit to Nguyen Huu Tho, vice-president of the State Council and Chairman of National Assembly, before leaving here for home for another assignment. Vice-president Nguyen Huu Tho had a cordial talk with the British ambassador. [Text] [Hanoi VNA in English 0722 GMT 23 Feb 85]

BULGARIAN DELEGATION LEAVES--Hanoi VNA 22 Feb--A delegation of the Bulgarian Academy of Sciences led by its deputy secretary general Prof V Khoristov left here yesterday, concluding a friendship visit to Vietnam at the initiation of the Vietnam Institute of Sciences and the Committee for Social Sciences. Documents on scientific cooperation between Vietnam and Bulgaria were signed here on 20 Feb by Prof Dr Nguyen Van Dao, deputy director and secretary general of the Vietnam Institute of Sciences, and Prof V Khoristov. While here, the Bulgarian guests paid a tribute at the Ho Chi Minh mausoleum, had working sessions with leading officials of the Institute of Sciences and the Committee for Social Sciences, and toured Ho Chi Minh City. [Text] [Hanoi VNA in English 0728 GMT 23 Feb 85]

MONGOLIAN ENVOY PRESENTS CREDENTIALS--Hanoi VNA 24 Feb--Gelegiyn Adiyar, ambassador of the Mongolian People's Republic, yesterday presented his credentials to vice chairman of the State Council Nguyen Huu Tho in Hanoi. Vice Chairman Nguyen Huu Tho had a cordial talk with the Mongolian diplomat. With the vice chairman were Foreign Minister Nguyen Co Thach and Nguyen Viet Dung, director of the office of the National Assembly and the State Council. [Text] [Hanoi VNA in English 0710 GMT 24 Feb 85]

CSO: 4200/571

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

CENTRAL COMMITTEE MEETS--Hanoi VNA 23 Feb--The Central Committee of the Vietnam Fatherland Front (VFF) held its conference in Ho Chi Minh City Thursday. The conference reviewed the front's activities in 1984 and discussed its orientation and tasks for 1985. It was attended by Hoang Quoc Viet, honorary president of the VFF; Huynh Tan Phat, president of the presidium of the VFF and other members of the presidium, the secretariat and the central committee. Representatives from various economic branches, provinces and cities also took part in the conference. The conference highly valued the front's activities which have positively contributed to strengthening the national unity, as well as the solidarity and friendship between the Vietnamese people and the Lao and Kampuchean peoples, and the peoples of socialist countries and the world as a whole. The participants heard report by Nguyen Van Linh, member of the CPV Central Committee and secretary of the Party Committee of Ho Chi Minh City, on the city's implementation of all the party and state's resolutions. They also heard a report on the fight of the Vietnamese people and armed forces in the northern border provinces against the Beijing reactionaries' land-nibbling attacks. [Text] [Hanoi VNA in English 0811 GMT 23 Feb 85]

SPORTS CONFERENCE HELD--Hanoi VNA 24 Feb--Up to 15 Feb, sport festivals were held at almost 500 places in the northern border province of Lai Chau, including factories, schools, villages and the provincial capital. These were organized in preparation for the provincial sport festival to be held in May 1985. A national sport conference was held in Hanoi from 14-16 Feb with the participation of the vice-chairmen of provincial and municipal people's committees and the directors of provincial and municipal sport and physical training services throughout the country. Vo Van Kiet, member of the Political Bureau of the Communist Party of Vietnam Central Committee, vice chairman of the Council of Ministers, and head of the steering committee for the first national sport festival, attended the conference. The steering committee for the first national sport festival held its first meeting on 21 Feb under the chairmanship of Vo Van Kiet, who pointed out that it is necessary to restore and develop national sports as well as military sports and to launch a broad movement for physical training and sports among the masses. [Excerpts] [Hanoi VNA in English 0656 GMT 24 Feb 85]

ECONOMIC PLANNING, TRADE AND FINANCE

HO CHI MINH CITY LAUNCHES AUSTERITY CAMPAIGN

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 5 Dec 84 pp 1, 4

[Editorial: "Frugal and Wholesome Life Campaign"]

[Text] Building a socialist way of life is a problem of strategic significance in the undertaking to build the new socialist man and system. It is a revolutionary requirement in social development and at the same time the hope of our people for a fine material and spiritual life.

More than 9 years ago, the people of the city, illuminated by the advanced ideology of the party, made great efforts and achieved initial accomplishments in building the total new man, most prominent of which were the basic features of a new revolutionary and socialist way of life. This renewal may be recognized not only in the social aspects but also through specific revolutionary actions and through the relations between one person and another following a new ethical viewpoint, and although not easy, may also be clearly recognized within the greatest depth of the soul. However, occurrences contrary to the socialist way of life in daily living still persist in multiple forms, including the social ills of competition with others, lavish spending and drinking, and wasting money and time. They create harm in the material and spiritual lives of each individual, each family and each and every part of society.

The characteristics of the socialist new man have been clearly noted in the resolutions of the Third and Fourth National Party Congresses of Delegation as well as the Resolution of the Third Municipal Party Organization Congress. A socialist new man is one who engages in collective work, loves labor, hates exploitation, loves the fatherland, socialism, the people and science, and has the noble spirit of an international proletariat. He is one who lives a "one for all," wholesome and frugal life without wasteful competition and lavish spending.

Building the new socialist life and man is an important part of the cultural and ideological revolution. It demands long-term and total effort aimed at answering the total requirements of a way of life constructed on the revolutionary philosophy of life of our party. First of all, during the first days of spring and observing the 10th anniversary of liberation, complying with the resolutions of the Party Central Committee and the Municipal Party Organization, the resolutions of the Municipal Party Committee and the directives of the Municipal People's Committee, let us join in beginning a Frugal and Wholesome Life campaign. The primary theme of this campaign is concentrated on

honoring those individuals and collectives who live a wholesome and frugal life while simultaneously criticizing and eliminating the social ills of wasteful ostentation and unrestrained drinking which create no little harm to society and to many families and individuals.

We are closely coordinating the Frugal and Wholesome Life campaign with the campaign of the municipal administration to build a new way of life and strengthen political security and social order in the city, with thorough execution of the policy of the Municipal People's Committee on restricting to the maximum the situation of waste in firecracker use during the new years celebration this year, with the policy of halting feasting and drunkenness during the end-of-year summarization parties in agencies and enterprises, etc. We are tightly coordinating this campaign with the emulation movement to complete the 1984 state plan with the slogan, "Ability, quality and effectiveness," and with the policy of the Municipal Party Committee and Municipal People's Committee on practicing conservation in production and consumption with electricity and grain the two strategic items of vital importance to production and life. We are closely connecting this campaign with the task of transforming and rearranging privately operated industry and trade, first of all the transformation and rearrangement of the social market, and the reduction and rearrangement of the food and beverage network in the city.

Conservation is our national policy. A frugal and wholesome life is a revolutionary, scientific and civilized action. We do this not only because our city and country at this time are still poor and must cope with countless difficulties and privations. A frugal and wholesome life in itself has a significance of overcoming immediate difficulties but is also a basic and long-term policy leading to the unceasing prosperity and development of the nation and the happiness of all society and of each individual. The frugal and wholesome life of the city resident today in itself bears a feeling of love for the soldiers and compatriots who are steadfastly undergoing hardships and bravely fighting on the hot firing lines of the border areas and islands, and for the laborers who are standing fast night and day at their difficult positions to produce for the country. A frugal and wholesome way of life expresses the concept of responsibility and pride for the role as a center of industry, science, culture and international trade of a large city bearing the name of Uncle Ho--representative of the new and modern Vietnamese way of life.

With this significance, we are directing this campaign toward an objective of assisting to stimulate the fine way of life forming within all levels of the people in the city. Laboring people of the city, collective owners of the city enthusiastic over the task to build a socialist way of life, experienced old men, women, young friends, soldiers, children, scientists, etc., let us raise our voices far and wide in assisting to further this campaign.

The successes of the Frugal and Wholesome Life campaign created with efforts contributed by the people of the city will be a beautiful clump of flowers for the Year-of-the-Ox spring garden. We rate it as a project of profound significance in celebrating the 10th anniversary of liberation of our beloved city.

ECONOMIC PLANNING, TRADE AND FINANCE

WASTefulness EXACERBATES NATIONAL POVERTY

Ho Chi Minh City SAIGON GIAL PHONG in Vietnamese 5 Dec 84 pp 1, 4

[Article by Hoang Quan: "A Social Disease"]

[Text] First of all, we will describe apparently indecisive occurrences. Talk about the difficult life can be heard everywhere you go. However, signs of waste can also be seen everywhere you look. Some think this is something commonly seen in slowly developing countries. This evaluation seems excessively slanted toward social psychology but is still partially correct. Waste is one of the causes holding a people in the slowly developing circle. It is a melancholy evaluation if it implies our situation at the present time. However, we must understand that waste is frequently "extravagance," as often stated by the people in the South, and not our "national disease." Our forefathers were famous for their thrift and diligence: "Don't abandon an uncultivated field; the more decimeters of land, the more decimeters of gold." From this foundation, our people established the advanced and illustrious lac Viet civilization.

History has recorded that waste is a foreign disease brought from some corner of the sky to a minority. However, it is most clear that during a period in which half our nation is turning into a consumption society, a number of people are being drawn into that society by a selfish, individual, privileged, reckless, extravagant and unrestrained way of life to forget everything else.

Not everyone but no small number of our people have been influenced a little or a great deal by that way of life, one of the easiest symptoms to recognize of the extravagance disease. It is a disease contributing toward slowing many of our efforts to build socialism in order to escape the impoverished and backward environment we have long experienced.

Extravagance in Food and Beverage Establishments

Everyone can see that in our city, there are too many food and beverage establishments which are found everywhere and are always crowded, in excess of the social requirements. Not counting the state-operated food and beverage network, our city has up to 32,000 households of a total of 600,000 registered in the food and beverage business. On some street sections only 100 meters long is a spider web of up to nine coffee shops and 12 restaurants and pubs. Some narrow streets are crowded with more than 100 food loads, carts and stands. In the 1st and 5th precincts, some wards have an average of 300 food and beverage establishments per square kilometer. The "inflation" of food and beverage establishments above is a medium encouraging an attitude of extravagance in

life. A great many people in the city indulge in three to four coffee breaks or two drinking sessions every day.

If every household registered in the food and beverage business uses an average of only three people, we have squandered 96,000 laborers. Roughly figuring, these households daily consume about 70 tons of meat and 5 tons of coffee, an amount of meat equal to that distributed in accordance with the monthly standards to all the agricultural and forestry workers of the city. The portions of this amount in "excess of requirements" and squandered must be said are the major portions. We have not yet counted the excessive time wasted by these coffee and wine breaks. One must also mention the large amounts of cash changing hands and the artifices, dissipation, unrestrained debauchery, etc.

Squandered Electricity, Water

The squandering of electric power and water in our city is an extremely serious occurrence. Naturally, in the majority of cases, only that water or electricity for which one can avoid payment is being squandered, namely stolen electricity and "pagoda" electricity and water! For example, according to reports of the Cho Lon Electric Power Branch Office, a household in Ward 11 of the 5th Precinct and one on Tan Thanh Street operated all the welding machines and presses necessary to produce plastic coated wire, and nearly 20 bulbs of all types on stolen electricity.

During recent inspections, the amount of electric power recovered for the state was more than 2.5 million kilowatt-hours but in reality, that only amounted to one-fourth of the total loss.

Many locations paying for their electricity also squander an excessive amount and many food and beverage establishments truly deserve severe criticism for their wasteful use of electricity.

Then there are a number of agencies, garrisons and trade schools. Differing from the private households who steal electricity for self-enrichment, a number of agencies, garrisons and schools have wasted electricity because they lack a spirit of responsibility, have not yet properly complied with the law or have a distorted understanding of the three interests and have not yet achieved firm internal discipline.

Water is also being heavily wasted. Nearly 25 percent of the water is lost through faulty faucets leaking night and day or through the diversion of water into ponds for the raising of hindweed, fish and pigs. As in the electric power waste situation, collective households, agencies and units waste the largest amounts of water. The loss difference roster is a full 10 pages long with each location over the 100,000 dong range. Who must bear this loss? The state. But whose state? The people's. The laboring people are bearing the consequences of this waste by a minority, meaning they are bearing additional needless and undeserved difficulties.

Waste Due to Celebrations

Some people say, "The funds spent for review conferences alone are enough to make the country poor!" This statement is not meant to belittle review conferences. Socialist construction must have regular conferences to summarize

and gain experience. However, the thing that is criticized by public opinion is the waste in these review conferences, including the "celebration" screen, a matter which not a few agencies, units and enterprises during the recent past have considered an indispensable "style." A party of some type to celebrate the achievements made after a year of successful labor is something which must and should be held. However, with incessant eating and drinking, the day of happiness may turn into one of sadness due to the disease of waste.

We recently had an opportunity to attend an unusual review conference. At this conference were more than 150 delegates. At the door, a large chart caught everyone's attention. On it was written: 0730 - Breakfast, steamed dumplings and coffee with cream; 0800 - Work; 0930 - Liquid refreshments and pate; 1000 - Work; 1130 - Lunch, 150 dong ration; 1400 - Work; 1600 - Party with beer and cordials; 1830 - Gather to watch play (Thanh Nga Group). During the conference, each delegate was occasionally offered a Captain cigarette. Try figuring what such a conference would cost.

We have also personally seen fairly many review conferences with year-end celebrations which have become lavish, noisy and drunken feasts costing not less than 50,000 dong. Some have even invited up to ten of the most famous professional singers and musicians for fees of up to 12,000 dong, not counting their travel expenses and food subsidies. A report read at one conference stated that an innovation during the year had made a profit for the state of 100,000 dong but the expenses of that very conference equalled the "profits made": each gift presented to the delegates, including those who had nothing to do with the work of the enterprise, was worth 1,000 dong.

Celebrations such as these are truly extremely wasteful, and if public opinion criticizes that they are the cause of the country being poor, such criticism should be accepted and promptly overcome.

Extravagance in Social and Individual Life

Above are several occurrences of waste considered as large-scale and causing direct harm to the money of the state and the individual. In social and individual life, occurrences of waste are also extremely serious.

How many people in our city waste the precious time of their own lives and of society? Each of us should examine our own conscience in answering this question. In many meetings, one person waits for another until both must lose time and in the end only to express miscellaneous subjects or hear a long dissertation without substance. In many agencies, how much labor of each worker has been wasted by late arrival, early departure and unorganized and unscientific goods purchasing. In many coffee shops, how many people sit slowly sipping and chatting? How many drinking bouts tie us up for many hours until we collapse throughout the following day? Could it be that this stupendous waste of time is causing our poor country to become poorer still? Let us all answer this question ourselves, not someone else. Socialism not only has a second couplet line of "all for one" but also a first of "one for all."

Then there are the weddings, funerals and death anniversaries. A proverb states, "No one praises a wedding, no one criticizes a funeral," but the city

still is not lacking in people who waste countless assets for outmoded, backward and feudal customs. The "ostentatious rich," affectation and procrastination disease has become unproductive in an age where conscience and relations between people have completely changed.

Waste by each individual in consumption is also extremely widespread. The city still has not a few individuals whose wasteful way of life is too distant from the living standards of all society and even from the standard of living of their own family. We have surely seen many individuals still of school age who wear clothing worth thousands of dong. Many only know how to squander their money on unnecessary foreign goods no matter what the price.

The present stories of waste may apply to the long term or to one period of time and this fact causes us special concern. We associate our thoughts with the approaching lunar new year celebration. This is the period of time in which occurrences of waste usually burst forth.

An example is the hundreds of tons of paper wasted in excess of necessary levels for spring newspapers of units with no function for issuing newspapers, for the new year and spring cards, for normal social intercourse, for the piles of offering--products of superstition, and for the long strings of firecrackers causing earaches and headaches. For example, there are the year-end banquets with leftover liquor, meat, etc.

Any occurrence of waste is followed by negative behavior for continued satisfaction: laziness, trickery, cheating, work disruption, etc. all extremely dangerous to society. Uncle Ho once said, "Conservation is the essence of increasing production and increasing production is to raise the living standards of the people. Conservation is active, not negative."

Thus, waste and extravagance in themselves are negative and immoral, preventing the overall standard of living of the people from rising. The practice of conservation and resistance to waste, under the present conditions of our country, have a significance of national policy and are simultaneously a type of social management discipline within each residential area.

7300
CSO: 4209/221

ECONOMIC PLANNING, TRADE AND FINANCE

CITY-WIDE INSPECTION UNCOVERS GRAIN DISTRIBUTION VIOLATIONS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 13 Dec 84 p 3

[Article by Nguyen Khac Minh, Ho Chi Minh City State Inspection Committee: "What May Be Seen Through Distribution, Use of Grain and Eight Essential Commodities?"]

[Text] More than 5 months of compliance with Directive 102/CT 15 March 1984 of the Council of Ministers on "strengthening management, distribution and consumption of grain in the present situation" and the decision of the Municipal People's Committee on the inspection of grain and eight essential commodities supplied to industrial and agricultural units, state forests, enterprises, schools, hospitals, state agencies, artisan and handicraft cooperatives and specialized vegetable cultivation collectives in Ho Chi Minh City have concluded.

Ho Chi Minh City has a population of more than 4.5 million with nearly 3 million within the purview of monthly grain supply. Grain purchased in the city's outskirts is enough only to feed the city for 1 month. The city must request support from the central government and neighboring provinces. The grain situation is often passive and tense. Even in Hoc Mon District, a suburban district where agricultural production has always been foremost, the quantity of grain which the state must supply is fairly large (393,654 kilograms). Therefore, the problems of grain conservation and assuring that grain as well as essential commodities (partial in-kind wages) are supplied fairly, rationally and to the proper recipients are extremely difficult.

Grain inspection throughout the city this year was directed by the Ho Chi Minh City State Inspection Committee with the invited participation of various other sectors such as the Grain Service, Commercial Service, Communications and Transportation Service, Finance Service, Municipal Public Security, Standard-of-Living Section of the Municipal People's Council, Women's Federation, and the Ho Chi Minh City Communist Youth Union. In the precincts and districts, guidance committees were also established under the responsibility of the vice chairman of the district or precinct people's committee. This was a large scale and in-depth inspection.

Inspection results indicated that, according to data reported from throughout the city, the total number of units requiring state grain supply is 5,104 with 599,956 people and a monthly grain issue of 7,846,057 kilograms. The inspection also discovered 354 "phantom" units reducing the state grain budget by more than 100 tons.

Also through the key inspection of 325 units, 237 were found to be violating the grain supply and use system. The total amount of grain used contrary to stipulations and the system was 528,268 kilograms. Along with the grain, there were also goods supply violations amounting to tens of millions of dong. If all eight essential commodities supplied in quantity and grain are counted, almost 6,500,000 dong were recovered for the state budget.

Even more worthy of mentioning are the forms of violations by units using state supplied grain such as: establishing phantom rosters and not deleting or deleting slowly those individuals no longer eligible. Another problem presented was dependence on the state loss compensation policy, leading to a situation in which the state "assists" a great deal but effects are substandard. For example, inspection of the municipal artisan and handicraft sector indicated that with 722 units, 43,834 laborers and 7,211 dependents, monthly grain consumption was 586,112 kilograms at a price of 6.5 dong per kilogram; if sold at the market participation price of the Municipal Grain Business Corporation (16.5 dong per kilogram), the annual state compensation amounts to 66,816,768 dong. At the same time, product delivery, labor norms, economic and technical norms, and contract prices also have a great many problems to be examined. An example is the supply of grain in accordance with labor by Go Vap District in which the cooperative member standard is 15 kilograms with 9 kilograms for dependents but during many months, despite no product delivery, all 24 kilograms are issued.

The inspection also evaluated grain management and distribution as good in a number of locations such as the 10th Precinct, Binh Thanh District and a number of units in Thu Duc District where there is firm control of users; grain supplied matches the unit's issue roster and wage chart, and where regular visits are made to units to provide vocational guidance to user units.

Through the inspection, a number of proposals were also made with the purpose of promptly answering the actual grain situation of the city at the present time. For example, a number of circulars and decisions promulgated by the city are no longer applicable (such as Circular 13/TT 13 May 1983 and Decision 321/QĐ-UB 13 September 1983); grain issues must be conducted in accordance with specifically stipulated trade standards; and grain used as an incentive must have the economic effectiveness calculated. A number of other proposals were made such as grain for the poor, the need for regular inspections in units and making inspections the responsibility of leaders, etc. in order that grain may be delivered to the hands of the consumer in the proper amount and with true significance in life at the present time.

Generally speaking, the inspection had great significance in effectively halting appreciable grain losses, in uncovering a number of inconsistent mechanism problems, and in continuing to strengthen grain management.

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CSO: 4209/224

ECONOMIC PLANNING, TRADE AND FINANCE

TRADE COOPERATION STORES IN HO CHI MINH CITY

OW241520 Hanoi VNA in English 1453 GMT 24 Feb 85

[Text] Hanoi VNA 24 February--Trade cooperation stores, a new economic enterprise, are being built in Ho Chi Minh City.

This kind of economic cooperation between the state-run trade service and private traders enables the state to handle most of the trade activities on the free market and plays an active role in retail sale.

In the past two months, the city has motivated almost 2,000 big and medium traders to contribute more than 120 million dong, 70 percent of them in merchandise, and built 134 trade cooperation stores in precincts, mostly in the first and fifth precincts, and two municipal commercial centers.

The building of trade cooperation stores has been accelerated along with the rearrangement of private traders according to their merchandise and stabilizing market prices.

The first precinct has so far built 59 such stores specializing in farm produce, foodstuffs, engineering and electric appliances, textiles, ready-to-wear, clothes, restaurants, medicines and services.

As a result the state-run trade service controls more than 70 percent of the amount of goods sold at the city's major markets.

It accurately controls the sums collected by these stores, the prices, the amount of purchase and sale of goods, thereby gradually bringing these organized private traders under state management.

The fifth precinct has built 40 trade cooperation stores involving restaurants, services, electronic, medical and cultural branches gathering more than 1,000 big and medium traders with assets totalling 64 million dong. Besides, 1,430 small traders have been transformed into trading teams, cooperation teams and state-run trade agents.

After an experimental period, the new enterprise has brought out the positive points in market management, stabilizing prices and controlling the currency and commodities. Private traders who shared capital with the state were given interests, salary and bonus in a rational manner. They were enthusiastic and confident in this economic model.

In the recent period, the sums collected from the purchase and sales of goods by these private traders have increased compared with the past years.

They have been earning incomes four or five times as big as an ordinary worker's salary.

Following the socialist transformation of rice and pork traders, the trade cooperation enterprise has helped the city market to step by step stabilize the living standard of cadres, public employees and other working people in the city.

CSO: 4200/571

AGRICULTURE

COTTON CULTIVATION ADVANCES SLOWLY

Hanoi NHAN DAN in Vietnamese 7 Jan 85 p 2

[Article by Pham Huy Kinh, Director of the Cotton Corporation (Ministry of Agriculture): "Growing Textile Cotton--Progress and Prospects"]

[Text] Our people in many areas are accustomed to raising cotton and weaving their own cloth. After the South was liberated, our party and state gave great concern to the development of cotton in order to solve the clothing problem. However, because of initial drought conditions and the fact that the number of fairly good quality industrial cotton varieties introduced to production were not resistant to drought, insects or disease, were seriously damaged by green leafhoppers and were inconsistent with the extended farming standards of our people, we encountered many difficulties in production. Cotton yields were low for many years (1 to 2 quintals per hectare), expenses were high and losses were great. The main reason for production failing to develop over a long period of time was the failure to clearly define whether the cotton production course was to be concentrated or dispersed.

During that time, in many locations and especially in the midlands and highlands, the people continued to resolutely raise cotton with the effective use of varieties already available in the local area to acquire fiber and cloth for making clothing. These local varieties were usually healthy and resistant to drought and insects but had a long growing period and relatively short fibers. Many families in the provinces of Son La, Thuan Hai and Phu Khanh raised dispersed cotton in the family gardens and terraced fields to achieve yields of 1 to 2 tons of seed cotton per hectare in exchange for hundreds of meters of cloth. These are realistic models worthy of encouragement and which are being widely multiplied.

Of the 17,000 hectares of cotton in our country at the present time, up to 10,000 hectares are being raised in the highland provinces of the North with the remainder under scattered cultivation in the midland coastal and central highland provinces. This area of cotton is primarily self-cultivated by the people and in a scattered manner by each family. At the same time, the cotton area of three state farms, a number of farms under local control and the Central Cotton Research Center amounts to only about 700 hectares. This reality indicates that the establishment of concentrated large-scale cotton areas in accordance with projected plans still has many difficulties. Therefore, the cotton development course during the immediate years to come must continue to emphasize the dispersed production of families by full utilization of family

garden and terraced field land for cotton cultivation. This is the firm and widespread basis of the people's textile cotton growing movement which has and is developing strongly throughout the country and which is producing clear economic effectiveness.

To promote the people's cotton growing movement, the following three fundamental problems must be resolved:

1. Varieties and technical methods appropriate for the widespread farming standards of the people.
2. Adequate and stable policies for the people to have peace of mind in cotton production.
3. A management mechanism and system consistent with the course of dispersed cotton production.

Nearly 2 years ago, the Central Cotton Corporation (Ministry of Agriculture) thoroughly examined the three problems above in many local areas throughout the nation and reached several essential conclusions.

Results attained during the past allow the cotton sector to define the struggle objective and primary methods during the immediate future as follows:

In area, efforts will be made to attain 19,900 hectares during 1985; 52,500 hectares by 1990 (including 10 percent cultivated by primary level state-operated units); 77,000 hectares by 1995 (15 percent under state operation); and an estimated 115,000 hectares by 2000 (20 percent under state operation).

In yields, by changing, nurturing and improving cotton varieties throughout the country, efforts will be made to attain average yields of up to 7 quintals per hectare by 1990, and 12 to 15 quintals per hectare by the year 2000.

Primary level state-operated units will strive to establish models of cotton cultivation of about 5,000 hectares (by 1990) with average yields of 10 to 20 quintals per hectare (at the same point in time).

The estimated output of seed cotton for the entire nation will be 38,600 tons by 1990; 84,287 tons by 1995; and 188,800 tons by the year 2000. This will include from 5,000 tons (by 1990) to 47,200 tons (by 2000) from the primary level state-operated units.

In order to achieve the objectives above, under the supervision of the Ministry of Agriculture, the cotton sector has begun to put forth a number of methods aimed at expanding the area and output of cotton during the next few years.

First, in cotton varieties, we have defined the three standards of suitability for cotton varieties to be widely cultivated by the people as resistance to drought, resistance to harmful insects and disease, and quality consistent with the requirements of the weaving industry. The Nha Ho Cotton Research Center has chosen a suitable cotton variety order producing clear results through many

production seasons. From this, specialized cultivation zoning for each different cotton variety has begun: the Mekong River Delta (from Long An down) is the area for specialized cultivation of Hai Dao Cotton, a cotton of long, fine and smooth fibers with high economic value; the area of central Trung Bo and eastern Nam Bo with a clear dry season (from Quang Nam-Da Nang to the south) is the area for specialized cultivation of upland cotton [*Gossypium hirsutum*] with fibers of average length; and in the northern area (from Binh Tri Thien and up) with a dry season of cold weather, drizzling rain and high humidity, we will continue to temporarily and immediately raise grass cotton [*Gossypium arboreum*] but selection and nurturing are essential in order to replace the degenerated grass cotton of a number of provinces.

We are striving, by 1990, to basically replace the old cotton varieties on a nationwide scale with suitable varieties for each area after crossbreeding and selection with selection as the primary aspect. Special attention will be given to selecting, nurturing and crossbreeding cotton varieties with extremely short growing periods for raising in those areas where rotation with other crops is possible aimed at expanding the area and conducting intensive cultivation to increase crop yields.

Second, in plant cultivation and protection, we will continue to study and apply technical advances in methods of consolidated prevention and control of which variety replacement and treatment methods are of special significance; these include research in the growth patterns of harmful insects and disease, accurate forecasting and effective treatment, including the rational use of chemicals. There is also continued research in the methods of crop rotation, companion cropping, protection and development of beneficial insects, problems of suitable scheduling and the field sanitation system, etc.

Third, in policy, we are beginning to well-resolve the formula of collecting and exchanging cloth and thread for seed cotton, afterwards gradually perfecting the policies of economic unity and redistribution of agricultural products between the state and the people, between the central and the local areas, and between industry and agriculture to adequately encourage the cotton grower, giving him peace of mind in production and a stable income.

Fourth, in organization, during the immediate 2 years of 1985 and 1986, the cotton sector is swiftly establishing branch scientific and technical stations in the various areas in order to well-develop the key position and role of science and technology. These are To Hieu Station serving the northern upland cotton area; Tuy An Station (in northern Phu Khanh) and ... Station serving the areas of southern Thuan Hai and eastern Nam Bo; Vinh Long Station (in Cuu Long) serving the Mekong River Delta, etc. These are stations tasked with conducting scientific research and applying technical advances before introduction to each area's production and are the centers of technical supervision in each area. Through provincial cotton farms, these stations will specifically delineate cotton variety areas of high yields and good quality.

The cotton sector is promptly forming a system of specialized sector management from the central to the district level to create conditions for full and stable achievement of sector policies. This is also a factor assuring the existence and development of the cotton sector in our country.

AGRICULTURE

REVIEW OF AGRICULTURAL ACTIVITIES OVER PAST WEEK

OW210957 Hanoi Domestic Service in Vietnamese 1100 GMT 20 Feb 85

[Text] Over the past week and currently, the northern provinces have been concentrating all forces on quickly transplanting the entire area of fifth month-spring rice. By 15 February, the entire country had cultivated 1,133 million hectares or 116.8 percent of the area cultivated in the corresponding period last year, with the northern provinces having cultivated 666,000 hectares or more than 60 percent of the planned area. Binh Tri Thien, Nghe Tinh, and Thai Binh Provinces and Haiphong Municipality were the fastest localities in rice cultivation. Ha Tuyen, Son La, and Vinh Phu Provinces had cultivated 65 percent of the planned area. Currently, the fast provinces are pulling up rice seedlings to transplant them according to or beyond the acreage plan.

The winter-spring rice acreage in the southern provinces has increased by about 40,000 hectares, compared with the corresponding period last year and it may increase further. Peasants have shifted to transplanting the winter-spring rice because some 10th-month rice areas have been flooded.

In general, the winter-spring rice crop has been growing well, despite the current spread of crop pests. Currently, as many as 130,000 hectares of winter-spring rice in the southern provinces are affected by harmful insects and diseases, mainly by rice blast, leaf folders, and stem borers.

The cultivated area of vegetables and subsidiary and industrial crops has increased notably over the past week. The cultivated area of corn, sweet potatoes, manioc, tobacco, peanuts, jute, and sugarcane in the northern provinces is, however, a little larger than in the same period last year. Only the peanut area has doubled, amounting to 51,000 hectares. The area of other crops, including soybeans, garlic, and rush, is smaller than in the same period last year. The cultivated area of corn, manioc, soybeans, tobacco, and peanuts in the southern provinces has increased, but that of sugarcane and sesame has decreased.

Regarding livestock breeding, no big pockets of contagion have developed over the past days. The herds of hogs in Thanh Hoa and Ha Bac Provinces have been lightly affected by epizootic diseases, whereas the number of succumbed and discarded buffalo and cattle nationwide is small.

Noteworthy is that the harvesting of industrial crops is now underway. Localities should pay attention to storing fodder for hogs.

Dear friends: Next week, the weather conditions will be favorable for boosting farm work. Localities should concentrate on finishing spring rice transplanting in February and then shift to tending and fertilizing crops. They should also work out a plan for preventing and eradicating crop pests right now. This year, since the stock of insecticides is insufficient, they must strive to use them thriftily and effectively.

The southern provinces should strive to increase the winter-spring rice acreage and concentrate efforts on tending and fertilizing the rice crop and on preventing and eradicating harmful insects and diseases while planning the storage of seeds for the summer-fall crop production.

CSO: 4209/243

POPULATION, CUSTOMS AND CULTURE

GROUP SPREADS FALSE CHINESE ORIGIN RELIGION

Hanoi QUAN DOI NHAN DAN in Vietnamese 6 Jan 85 p 2

[Article by Pham Ngoc Toan: "The Truth About the 'Hoa Long Religion'"]

[Text] Since the day she attended a meeting at Kiep Bac Temple, many changes occurred in Vu Thi M., a woman who makes a living by dishonest trade and crooked sales in Thuy Xuan Village, Thai Thuy District, Thai Binh Province. She wanders from house to house, talks and makes offerings, communes with the spirits, and highly praises everything from this "sacred" temple to that "true" saint. Looking ahead and glancing back, she whispers in the ears of this or that person, "There is now the Hoa Long religion, just brought across from China, which is extremely sacred. Anyone following this religion will become blessed and prosperous!" She tells this man and that woman, from this province to another, that the poor, after following the Hoa Long religion, encounter continuous good luck and swiftly become rich!

People noticed that M. had thrown away all the pictures in her home and erected an extremely large altar with a gaudy red and green painting hanging from the center. She said it was a picture of "Princess Huyen Nu," sent down by God to save all living creatures because Shakyamuni had entered heaven and everyone was sinking into a sea of misery! She further explained that in worship of the Hoa Long religion, noble feasts are unnecessary and only an incense burner and cup of rainwater will do. However, one condition must be observed, that no picture other than that of "Princess Huyen Nu" may be hung before the altar.

A number of individuals, brains laden with superstition and lazy in production labor, began to believe in the words of M. She invited Nguyen Tuc T., an aimless young girl with an ideology of resistance to the line and policy of the local area, to go along with her in spreading the gospel of "Hoa Long religion" to many others. Slowly, a number of gullible people in the two villages of Thuy Truong and Thuy Xuan in Thai Thuy District enticed each other into attending worship at the home of M. to copy the "Hoa Long experience" and abandon all production. Many families also hung a painting of "Princess Huyen Nu" in front of their altar and got rid of their wholesome and progressive pictures. These families usually avoided cadres and troops, complied poorly with line and policies and usually gathered together for idle chatter.

Faced with this matter, the public security personnel of Thai Thuy District joined the village administrations of Thuy Truong and Thuy Xuan in seeking out those spreading superstition and creating instability in the local area. When

the home of Vu Thi M. was searched, they discovered hundreds of handwritten prayer books of a reactionary nature distorting the situation of the nation and slandering the line and policy of our party and state, and many other indecent and superstitious items. Vu Thi M. confessed that when she had attended the meeting at Kiep Bac Temple, she had met Nguyen Thi L., originally a fellow illegal trader in Haiphong. L. told her about the Hoa Long religion, gave her the handwritten prayer books and said that the more people she could entice into following the Hoa Long religion the better. L. also told her that if she could entice many people into following the Hoa Long religion, she would be invited to visit the "Hoa Long Holy See" in China to enjoy happiness and wealth!

According to the confession of Vu Thi M., the public security agency had uncovered a reactionary group specializing in the spread of superstition in order to sabotage the line and policy of our party and state while simultaneously enlisting people to serve as lackeys for the Beijing expansionists.

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CSO: 4209/230

BIOGRAPHIC

BRIEFS

VICE CHAIRMAN DIES--Hanoi VNA 23 Feb--The Most Venerable Thich The Long, vice chairman of the National Assembly and vice president of the Vietnam Buddhist Church's Executive Council and former vice-chairman of the Asian Buddhist Congress for Peace, passed away in Ha Nam Ninh Province (some 100 km south of Hanoi) at the age of 76. This was made public in an obituary jointly issued by the National Assembly of the Socialist Republic of Vietnam, the Vietnam Buddhist Church Central Committee, and the People's Committee and the Fatherland Front Committee of Ha Nam Ninh Province. The late most venerable had been awarded the Independence Order, second class, and the Resistance War Order, third class. His body lay in state at the office of the People's Committee of Ha Nam Ninh Province. The funeral service will be held at 12.00 hrs on 23 Feb 1985. [Text]
[Hanoi VNA in English 1537 GMT 23 Feb 85]

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